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CIS Defense Ministers Discuss Unified Air Defense System

LD1302193695 Almaty PANORAMA in Russian 11 Feb 95 p 4

[FBIS Translated Text] A meeting of the Council of CIS Defense Ministers was held on 9 February. Viktor Samsonov, chief of staff for coordination of CIS military cooperation, Valeriy Patrikeyev, commander of the CIS joint peacekeeping forces in Tajikistan, and Gennadiy Shabannikov, secretary general of the Collective Security Council, also took part in the meeting. Contrary to the rules, Andrey Nikolayev, chairman of the Council of Border Troops Commanders, was absent from the meeting, although he was in Almaty.

Russian Defense Minister Pavel Grachev, who acted as chairman at the meeting, reported that three of the matters placed on the agenda for consideration by the heads of governments required the defense ministers' direct participation. There were four items directly relating to the defense ministers' activities on the agenda for the heads of state meeting. All the documents designed to put the Collective Security Treaty into practice had been considered and submitted for approval to the present Council of Heads of State.

Adoption of these documents will make it possible to create an executive body for the Collective Security Council to gain international recognition for this treaty, and to begin actually creating a collective security system. Grachev also reported that on 1 December 1994, the meeting of the Council of Defense Ministers examined a draft protocol to the agreement on collective peacekeeping forces and joint material and technical supply measures. With the aim of further expanding the powers of the commander of the Collective Peacekeeping Forces in Tajikistan, and allowing him to work with representatives of international organizations there, the draft protocol was submitted for consideration by the Council of Heads of State.

According to Grachev, two further problems were submitted for discussion by the Council of Heads of States in accordance with the future plans for integrational development in the CIS, as well as with preliminary accords. The Council of Defense Ministers had not discussed the draft documents on these matters before, so they were submitted to that day's meeting of defense ministers. After explaining this, Grachev explained what the two issues were: The formation of a unified air defense system for the CIS member states and the development of a conceptual plan for guarding the external borders using CIS border troops.

Uzbek Defense Minister Rustam Ahmedov voiced doubt over whether discussing the protection of external borders fell within the competence of the Council of Defense Ministers. However, the chairman reminded his colleague that there were "comrades, gentlemen and friends present," and explained to him that guarding external borders is the prerogative of defense ministries. In many states the armed forces also guard the borders. Grachev cited as an example the fact that the air defense troops are responsible for the security of Russia's airspace boundaries.

The journalists were then cleared from the hall and the ministers continued their discussions behind closed doors. PANORAMA was, however, able to familiarize itself with a draft decision on measures to create a unified air defense system for the CIS members. The draft notes that:

1. A coordinating committee on air defense matters is to be set up under the Council of CIS Defense Ministers to coordinate the work to create a unified air defense system for the CIS members.

2. The commander in chief of the Russian Federation Air Defense Forces will be appointed chairman of the coordinating committee.

3. The committee's membership will include the commanders of (air defense and air force) troops of the CIS countries, deputy chairman of the coordinating committee and other officials according to the decisions of the Council of CIS Defense Ministers.

As Uzbek Defense Minister Rustam Ahmedov said at the end of the meeting, there was a very stormy discussion on the unified air defense system. It was decided that the command functions of the TsKP [as published] of the Russian Air Defense Forces would perform the coordinating role.

Uzbekistan and Ukraine, which held identical positions on this matter, spoke in favor of this decision. Ahmedov's view was that Belarus, Turkmenistan and Azerbaijan (which derives its doctrine from its relations with Armenia, according to participants in the meeting) adopted a harder line. They were against signing an agreement on a unified air defense system. However, the Uzbek defense minister said he imagined that their opinions might change.

Kazakh Defence Minister Sagadat Nurmagambetov gave a more upbeat assessment of the meeting. In his view, agreement was reached on all the documents that were discussed, and there were no surprises.

Duma Calls For Reform of CIS Interparliamentary Body

MM1302154395 Moscow RABOCHAYA TRIBUNA in Russian 11 Feb 95 p 2

[ITAR-TASS report: "The Shape of the CIS Interparliamentary Assembly"]

[FBIS Translated Text] On 9 February there was a routine session of the State Duma Committee for CIS Affairs and Relations with Compatriots, which examined the question "On the Further Development of the CIS States' Interparliamentary Assembly." Konstantin

Zatulin, chairman of the Committee for CIS Affairs and Relations with Compatriots, issued a statement based on the results of the discussion which notes that the CIS Interparliamentary Assembly, which has existed since 1992, has done certain work to acquaint the leaders of the national parliaments and individual deputies from the former union republics with one another. A number of recommendatory model laws have been adopted and attempts have been made recently to use the mechanism of interparliamentary delegations to settle the situation in conflict zones on the territory of the former USSR.

At the same time, in K. Zatulin's opinion, the Interparliamentary Assembly's activity needs major changes. Unless the overall numerical composition of the Interparliamentary Assembly is defined and precise norms governing the numerical strength of the national delegations are laid down, there will be a conflict between the number of citizens entitled to vote in each CIS country and the possibility of influencing decisionmaking in the Interparliamentary Assembly in the interests of those voters.

The Committee for CIS Affairs and Relations with Compatriots believes that the further development of the Interparliamentary Assembly is possible on the basis of a gradual organizational reform and its transformation along the lines of the European Parliament and other international interparliamentary organizations.

ITAR-TASS Carries Press Review for 14 Feb

LD1402083595 Moscow ITAR-TASS in English 0642 GMT 14 Feb 95

["Press Review"--ITAR-TASS headline]

[FBIS Transcribed Text] Moscow February 14 TASS—The events in and around Chechnya remain the focus of attention in today's Moscow-based newspapers.

KRASNAYA ZVEZDA (Red Star) and TRUD open up with reports that a "real spate of epidemics" of plague and cholera is being anticipated on a larger part of Chechnya and North Caucasus territory soon because of a sharp decline in health care standards there, a shortage of medicines, medical equipment and the lack of funds to buy them.

A particularly serious situation has developed in Chechnya, where the state sanitary and epidemiological service has been disrupted over the past two years and the vaccination of the population was discontinued.

The newspapers point out that the Russian state sanitary and epidemiological inspectorate does everything possible to dimish the danger by establishing a large-scale sale of detergents and disinfectants to the population and arranging for a mass-scale vaccination of residents. The main efforts are aimed at removing the danger of a transfer of infection to beyond Chechnya.

ROSSIYSKIYE VESTI, among its home topics, singles out reports on the role of the social chamber to the Russian president. The reports point out that there is no direct contact between the chamber and the president but there is a large number of go- betweens, with far from all of them being interested in the communication to be uninterrupted.

The newspaper emphasises that the president must be interested in getting "undoctored" evidence of the state of social sentiments and in influencing through the chamber the frame of mind of the active proportion of the population.

KOMSOMOLSKAYA PRAVDA reports the opinions of the leaders of state duma factions and committees, recalling that Boris Yeltsin is to present an annual message to the Russian parliament next Thursday.

The results of the implementation of the presidential message of 1994 raise no doubt that the government should resign, Sergey Glazyev, head of the committee for economic policy, has told the newspaper.

TRUD carries an interview with Viktor Ishayev, chief of the Khabarovsk territory administration and member of the Federation Council.

Ishayev said that the duty of the Russian government is to work out a long-term strategy to ensure proper living and working conditions in the Far North. "The regions on our side of the Urals affords a socio-economic potential which will in many respects determine Russian statehood in the 21st Century," Ishayev said.

RABOCHAYA TRIBUNA and PRAVDA write that Russian industrialists and businessmen seek to lead the country out of the crisis on their own, not counting on the government which, the newspapers maintain, has discredited reforms and tolerates a mass impoverishment of people.

SOVETSKAYA ROSSIYA runs an interview with Federation Council member Aman Tuleyev who said in particular that miners' strikes called throughout the country have been brought about in point of fact by the "government itself", for through its incompetence and unprofessionalism, it "has driven the coal industry into a blind alley", denying it even meagre subsidies, Tuleyev said.

IZVESTIYA writes that reformers from the former ruling communist parties have come to power in a number of Eastern European countries as a result of social upheavals.

Can this happen in Russia as well? The newspaper queries. Hardly so, it answers, pointing out that the Russian communists, unlike some Eastern European ones, did not move a finger to render the idea of socialism if only slightly more attractive to the people. Their programme is the best proof of this, the newspaper observes.

Yeltsin, Clinton Hold Telephone Conversation

LD1302210295 Moscow ITAR-TASS World Service in Russian 2015 GMT 13 Feb 95

[FBIS Translated Text] Moscow, 13 Feb—Russian Federation President Boris Yeltsin and U.S. President Bill Clinton held a telephone conversation today, the press service of the Russian Federation President reported.

The presidents exchanged opinions on their latest international contacts. Bill Clinton reported on the outcome of his meeting with Helmut Kohl, an important result of which was confirmation of the policy of supporting the democratic and economic reforms being conducted by the Russian leadership. For his part, Boris Yeltsin again stressed that Russia is to stick to the policy of reforms.

At the request of the American side, Bill Clinton was informed about the actions of the Russian authorities with regard to a settlement of the conflict and the restoration of peaceful life in the Chechen Republic.

The mutual adherence to the policy of partnership was confirmed. The presidents said that one of their next goals was to continfue working toward the implementation of the accords reached on disarmament.

Foreign Minister Kozyrev Arrives in Sweden on Visit

LD1302182595 Moscow ITAR-TASS World Service in Russian 1800 GMT 13 Feb 95

[FBIS Translated Excerpt] Stockholm, 13 February (ITAR-TASS)—Russian Foreign Minister Andrey Kozyrev today arrived in Sweden for a working visit. His aircraft has just landed at Stockholm's Arlanda Airport. [passage omitted]

West's Tougher Visa Policy Triggers Countermeasures

MM1302113195 Moscow IZVESTIYA in Russian 11 Feb 95 p 2

[Report by Igor Andreyev: "The West Is Definitively Opening Borders for Its Own People and Closing Doors for Russia"]

[FBIS Translated Text] The collegium of the Ministry of Foreign Affairs has discussed measures to toughen up the procedure for issuing Russian entry visas to citizens of countries in the far abroad. But these measures concern not guests from underdeveloped states, who are settling in Russia in tens of thousands, but visitors from so-called civilized countries who certainly have no desire to move to our country. Are the recent prophesies of a "cold peace" really coming true?

Not at all, Vasiliy Vinogradov, director of the foreign policy department's consular service department, maintains. A possible change in the Russian side's visa requirements is a forced response to the ever increasing difficulties being experienced by our citizens intending to travel abroad. To begin with, the consulates of many European countries and the United States stopped registering trips against faxed copies of invitations from a firm or from a private person. This means—please submit by mail or by messenger at some convenient opportunity the original which you received. Of course, there can no longer be any question of any urgent, "spur-of-the-moment" trips. In addition, Western countries' consulates are taking a longer time to examine the documents submitted and to issue a visa. Finally, more and more of these states' establishments abroad are demanding that a visa applicant turn up in person for a so-called interview or, as we say, discussion. What is a person to do if he does not live in Moscow or St. Petersburg? Come to the capital in order to stand in line and then answer questions that are quite frequently shocking? And, at the same time, they have no guarantees that the time and money spent will nonetheless result in the desired visa.

The tendency to toughen up visa requirements, Vinogradov emphasized, is well established and puts us on our guard. It has reached the point where many countries' consulates essentially dictate to us Russian diplomats, in our own home, the questions on which we have a right to address them and those on which we do not. The consular service has long-standing, tried and tested organization-partners, to which we give visa support. That is, we receive from them the documents of those being sent on official business and forward them with a so-called covering note to the embassy. It has already happened repeatedly that they ignore the note and instead instruct those hoping to make a trip to report in person to the foreign mission. We have been trying for some 18 months now, Vinogradov said, to explain to our foreign colleagues that they should not treat the Russian department and citizens like this or infringe their rights so overtly. Zero reaction. From discussions we moved on to communicating with official papers. We circulated them to those embassies that are tightening the visa screws particularly tightly. Same reaction. Does it turn out that human rights, regarded as sacred in the West, do not extend to Russians who wish to visit the West?

It is paradoxical, the Foreign Ministry department head said, but a further spiral of visa problems threatens us in connection with Europe's decisive step toward opening up customs borders. I mean the so-called Schengen agreement, under which, as of 26 March, the FRG, France, the Benelux countries, Spain, and Portugal create a single visa area. This means that a citizen of any other state, having received permission to enter one of the listed seven countries, has the right to enter the six others without applying for corresponding national visas. Austria, Greece, and Italy are also inclined to join "the seven" in the future. Understandably, the parties to the agreement are standardizing their visa requirements and forming a single data bank in Strasbourg.

Since the West already looks guardedly upon the ever increasing stream of Russian visitors and fears the arrival of criminals and potential immigrants, its fears are increasing greatly in connection with 26 March. Therefore Vasiliy Vinogradov foresees that visa applicants will be sifted through quite a fine consular sieve. Since all other means of influencing partners have already been exhausted, it remains for Russia to take appropriate forced measures. Such as, for example, [requiring] the appearance [of prospective visitors] in person at Russian consulates abroad for a discussion. Requiring the original invitation to be submitted. Increasing the time taken to draw up a visa. This applies, of course, to citizens of those countries which sift particularly assiduously those Russians planning a trip.

Kovalev: West Must Exert 'More Vigorous Pressure'

MM1402092395 Moscow TRUD in Russian 14 Feb 95 p 6

[Report by Rudolf Kolchanov: "S. Kovalev: 'The West Is Too Polite...'"]

[FBIS Translated Text] Bonn—The German Foreign Policy Society and the German-Russian Forum have organized in Bonn a statement on the situation in Chechnya by human rights campaigner Sergey Kovalev.

The bloody war, S. Kovalev declared, was not a planned action. Moscow originally proceeded from the premise that the Dudayev regime would crumble under opposition pressure. But those expectations, despite moral and military support from the federal authorities, did not materialize.

The Chechen armed formations, Kovalev said, consist of well-trained troops of Dudayev's army, the people's militia headed by professional commanders, and scattered detachments of "people's avengers." According to him, whereas there is a certain number of mercenaries, there are no serious military formations there that do not consist of Chechens. Nor are there criminals among those fighting on the Chechen side. The people are fighting. They might be mistaken in their choice of political leaders and be seduced by false ideals, but it is impossible to win the war against them.

The war has shown once again, the speaker went on, that there was and there is no state policy on the very complex region of the Caucasus, and there was no analysis, no assessment, no sensible actions, and no attempts to use political means to resolve the conflict. Fundamental decisions were made as the result of a struggle of ambitions and departmental interests, as a result of intrigues.

The war against Chechnya was and is accompanied, Kovalev emphasized, by loud lies from the lips of top persons: The lie that an action was being carried out against bandit formations, the lie that successes had been scored, the lie that the bloody war was supported by the whole of Russia, the lie about losses. More Russian soldiers are dying than Chechens. He believes that, among the local population in Groznyy, more Russians have died than citizens of the indigenous nationality.

The tragic events in that region cannot but affect Russia as a whole and the entire world community. Among the possible consequences, Kovalev named the establishment of a "regime of semioccupation" in Chechnya with a smoldering partisan war in the wooded mountains. But the possibility of universal chaos also cannot be ruled out in Russia—a country with nuclear weapons and nuclear electric power stations, a country with no tradition of seeking and implementing compromises with the enemy.

The West in turn must learn to better understand what is happening in Russia. Its reaction to the events in Chechnya is too limp, and the West is "too polite" for us. In Kovalev's opinion, more vigorous pressure must be brought to bear on the Moscow leadership.

Kovalev held talks in the chancellor's department and met with Scharping, chairman of the Social Democratic Party of Germany and leader of the opposition, and with other politicians. Federal Chancellor H. Kohl declined a meeting, claiming to be too busy.

West Changing Attitude Toward Russia, UK Stand Admired

LD1302185395 Moscow INTERFAX in English 1606 GMT 13 Feb 95

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Moscow, Feb 13 (Interfax)—Moscow is looking for "new footings" in the West.

"It seems that the West is changing its attitude to Russia, and Moscow has to correct its strategy and look for new allies in its joining of European structures," a source at the Russian Foreign Ministry told Interfax today.

In the words of the diplomat, "Moscow first planned to register its relations with European regional organizations while French President Francois Mitterrand—the most active support of this process—was in office."

"However, Chechnya has changed the situation. The Russian admission to the Council of Europe was suspended and ratification of the agreement on cooperation with the European Union was frozen. Meanwhile, the office of French President Francois Mitterrand is nearing completion and the stand of his probable successor, current Premier Edouard Balladour, is rather vague," said the diplomat.

Moscow does not exclude that the period of "close interaction" between Russia and Germany may soon end.

"The diplomatic community thinks that Bonn is losing interest in Russia after its troops were withdrawn from

Germany; and German support to Central and East European states, including Ukraine, is mounting," said the diplomat.

He thinks that "separation of Bonn from Moscow may become active after celebrations of the 50th anniversary of the V-day end."

Speaking of relations with the United States, the diplomat noted that the victory of "the Republican majority in the Congress may have negative consequences for Russia. The Republicans are mostly represented by nationalists, who are staking on the leading role of their state on the international scene. It seems that the foreign policy of President Clinton will lose the touch of romanticism it has under the pressure of pragmatic lawmakers."

The diplomat stressed that "Moscow is increasingly turning to Great Britain, on which Russia pins its hopes for integration with Big Europe."

What is more, "Moscow likes the special and more concervative stand of London on the eastward expansion of NATO. We would like the British to convey to their NATO partners our concern over the future of Russian relations with the alliance," said the diplomat.

The Russian Foreign Ministry is increasingly prone to think it is inexpedient to protract the official registration of partnership with NATO. The diplomat gave to understand that "a solution to this problem which has both political and military-technical aspects is not an exclusive prerogative of the Russian Foreign Ministry."

Chernomyrdin Expected To Tackle Slovakia Trade Imbalance

MM1402111995 Moscow ROSSIYSKAYA GAZETA in Russian 14 Feb 95 First Edition p 1

[ITAR-TASS report: "Visit to Slovakia"]

[FBIS Translated Text] Viktor Chernomyrdin, head of the Russian Government, flew to Bratislava yesterday. It is expected that seven intergovernmental agreements will be signed during the Russian premier's two-day official visit to Slovakia. They include agreements on cooperation in the sphere of culture, education, and science, reciprocal employment of citizens, and visa-free travel.

As your ITAR-TASS correspondent has learned from circles close to the Russian Government delegation, at the talks with his Slovak counterpart Vladimir Meciar Viktor Chernomyrdin intends to put forward a series of proposals aimed at expanding trade and economic cooperation between Russia and Slovakia and restoring mutually beneficial bilateral ties. The two countries' heads of government are also expected to discuss the problem of the imbalance in the foreign trade turnover between the two countries—one of the biggest problems that exists in relations between Russia and Slovakia.

In the two years since the proclamation of Slovakia's independence, Russian-Slovak top-level contacts have been quite intensive, ITAR-TASS correspondent Valeriy Rzhevskiy reported yesterday from Bratislava. During Russian President Boris Yeltsin's visit to Bratislava in August 1993 the Treaty on Friendly Relations and Cooperation between the two countries was signed. Regular sessions of the Russian-Slovak intergovernmental commission on economic and scientific-technical cooperation have made it possible to give bilateral ties real substance. In addition to the "big" interstate treaty between Russia and Slovakia around 40 "new-generation" agreements have also been concluded.

Economic Ties With Slovakia Reviewed

MM1402085395 Moscow ROSSIYSKIYE VESTI in Russian 14 Feb 95 p 1

[Report by Aleksandr Miklashevskiy: "Moscow and Bratislava Move Closer"]

[FBIS Translated Text] The talks between Prime Minister Viktor Chernomyrdin and the leaders of the Slovak Republic, where he is paying a two-day visit, focused on economic problems.

Russia and Slovakia are no novices when it comes to economic cooperation. In the recent past they maintained close relations which were broken off. In Slovak Prime Minister Vladimir Meciar's opinion, it is necessary to restore all that was useful in them.

The main stress in Bratislava was laid on utilizing already accumulated experience of economic ties and searching for modern forms of them. A certain amount of work has already been done in this area. Trade turnover between the two countries reached $1.5 billion in 1994. Is that a lot or not? Given the size of Slovakia, the volume of foreign trade cannot be called insignificant. But there is the following aspect—while accounting for 12 percent of the country's entire foreign trade turnover, we sell the Slovaks goods worth $1.25 billion, while they sell us goods worth $260 million. Of course, this kind of imbalance does not suit our partners, to whom we supply oil, gas, and other raw materials, This, as the Slovak representatives put it, is the biggest problem in Russian-Slovak relations.

Slovakia mainly supplies us with machinery and equipment (more than 40 percent [of turnover]), industrial consumer goods, medicines, foodstuffs, and chemical products. Bratislava could also sell us high-quality equipment for the timber industry, road-building machines, river-sea-type ships, and goods for the textile and footwear industries. There has recently been a certain development in Slovak enterprises' ties with individual parts of the Russian Federation—the Komi Republic, Moscow, and St. Petersburg.

It is also expected that the sides will agree to make it easier for citizens from our countries to find work and travel without a visa, and to revive activity in the spheres of culture, education, and science.

Commentary Says Team Spirit Will Not Help To Ease Tensions

SK1402021295 Moscow Voice of Russia World Service in Korean 1200 GMT 13 Feb 95

[Commentary by Aleksey Kondratyev]

[FBIS Translated Text] According to a Japanese publication, the United States and the ROK plan to wage the joint military exercise Team Spirit from 28 March through 2 April. Station commentator Aleksey Kondratyev writes:

The annual military exercise Team Spirit was not conducted in 1994. Washington and Pyongyang reached an agreement on freezing nuclear programs last year and even declared to completely suspend Team Spirit.

The military exercise conducted annually by the United States and the ROK agitated the DPRK every time it was held. Pyongyang regarded the joint military exercise as a part of preparations for a northward invasion. So, whenever the joint military exercise Team Spirit was waged, the DPRK put its Armed Forces on a full-readiness posture. As a result, tensions on the Korean peninsula have been aggravated as the years went by.

Although the ROK and the United States say this year's joint military exercise cannot match previous ones in scale, the DPRK will certainly strongly react to the military game.

According to reports from Tokyo, this year's Team Spirit exercise has two purposes. First, by waging the military exercise, the ROK and the United States will pressure Pyongyang to hold South-North dialogue. Second, they will persuade the DPRK to accept ROK-type light-water reactors.

Pyongyang, however, strongly opposes the supply of ROK-type reactors and is interested in Russian-type reactors. Both the United States and the ROK have repeatedly confirmed that pressure on the DPRK only brings about reverse results.

Anyhow, regardless of the judgment the resumption of the Seoul-Washington joint military exercise is based on, this military exercise will not help to normalize the situation on the Korean peninsula.

Submarine Sale to PRC Confirmed; U.S. Aware of Sale

LD1402090595 Moscow ITAR-TASS in English 0828 GMT 14 Feb 95

[By ITAR-TASS diplomatic correspondent Andrey Lvov]

[FBIS Transcribed Text] Moscow February 14 TASS—The Russian Foreign Ministry confirmed on Tuesday that Russian diesel submarines had been sold to China, but said the deliveries were of a "limited character".

"Yes, there is such a cooperation in the sphere of limited sales of armaments", a high-ranking official from the Foreign Ministry told TASS adding that "the talk is about cooperation in non-offensive weapons" and that the "parties observe their corresponding international commitments".

"We consider military-technical cooperation with China to be a normal integral part of our bilateral relations of and trade-economic ties, in particular", the official said.

He did not disclose how many subs had been sold, however, according to the British "Jane's Defence Weekly", China bought four Russian submarines.

A representative of the "Krasnoe Sormovo" enterprise in the city of Nizhnyy Novgorod on the Volga, which produces the U-boats, told TASS that China had already received one "Varshavyanka"-class diesel submarine which had passed test trials in the Baltic Sea. The second sub was yet under construction and was expected to be delivered to China this year.

According to the representative, the Chinese pay for the subs partially in hard currency and partially by goods.

The United States knows about the submarine deal, but does not seem to be dramatising the situation. A spokesman of the US Department of State said on Monday that Washington was aware of the submarine sale, but does not believe that it can strengthen in any way the capabilities of the Chinese Navy.

Clinton Said To Warn Russia on Selling Reactors to Iran

MM1402103095 Moscow ROSSIYSKIYE VESTI in Russian 14 Feb 95 p 1

[Unattributed, untitled report from the "Quick Reading" column]

[FBIS Translated Text] Bill Clinton's administration has warned Moscow that the possible sale of nuclear reactors to Iran by Russia could exacerbate relations between the White House and the Kremlin.

Nuclear Reactors Exported to Iran Unfit for Military Use

LD1402112195 Moscow ITAR-TASS in English 1045 GMT 14 Feb 95

[By ITAR-TASS correspondent Andrey Serov]

[FBIS Transcribed Text] Moscow February 14 TASS—Moscow says Russian nuclear reactors exported to iran cannot be used for military purposes.

A Russian Foreign ministry expert denied allegations by American officials that nuclear sites erected in Iran with Russian assistance can produce weapon-grade plutonium.

The ministry expert, who asked for anonymity, said in an interview with ITAR-TASS that the water reactors exported to Iran under an intergovernmental agreement are unable to produce the fissionable material required for nuclear weapons.

The expert said Iran is a signatory of the Nuclear Non-Proliferation Treaty, and Tehran's nuclear programme is open for control by the International Atomic Energy Agency.

Iran complies with the Non-Proliferation Treaty, and so it has the right to civilian use of nuclear energy, as any other treaty signatory.

Political Issues

Press Service Confirms Cease-Fire Accord in Chechnya

LD1302161395 Moscow ITAR-TASS World Service in Russian 1543 GMT 13 Feb 95

[FBIS Translated Text] Moscow, 13 Feb—Russian Federation Government's press service has officially confirmed the fact of the talks between representatives of the federal authorities in Chechnya and the chief of staff of Dudayev's forces.

The official statement says that in the course of the talks, which lasted five hours, "an accord has been reached to cease fire from heavy weapons." Under consideration also was a "mechanism for handing over the bodies of militants to the Chechen side."

It is also stated that talks are scheduled to continue on 15 February.

Cease-Fire Unlikely To Lead to Peace

LD1402132595 Moscow INTERFAX in English 1119 GMT 14 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 14 (Interfax)—The agreement on ceasing fire from heavy weapons, reached in the Sleptsovskaya Village on Monday is not likely to lead to achievement of a full-scale truce in Chechnya, said the Director of Russia's Federal Counterintelligence Service Sergey Stepashin.

The Dudayev loyalists are likely to try to use the temporary cease-fire to play for time and regroup their forces, he said in answer to Interfax's question in Moscow.

Stepashin said, his service is engaged in a search for Dudayev, who is in Chechnya at present. However it is very hard to determine his whereabouts, since Dudayev is constantly on the move, Stepashin said. He never spends more than one night in the same place and does not use a radio transmitter, "otherwise we would have spotted him."

Commander of the North Army Group deployed in Chechnya, General Lev Rokhlin, said he believes that in military terms Dudayev has "lost the campaign in Chechnya completely, and his forces sustained a serious defeat in Groznyy."

Rokhlin, whose troops distinguished themselves in the operation launched to liberate Chechnya's capital, believes that the talks which are in progress through the mediation of Ingushetia's Vice President Boris Agapov, may have a positive or a negative result, depending on the development of events.

According to Rokhlin, in the Chechen leadership there are people whose hands are steeped in blood, and it is impossible to reach agreement with such men. However, he added, the chief of Chechnya's General Staff Aslan Maskhadov is "one of the most sensible politicians in the Chechen leadership, but unfortunately he does not embody the whole of it."

Baburin on Chechnya

954F1202A Moscow PRAVDA in Russian 26 Jan 95 pp 1, 2

[Interview with Sergey Baburin, chairman of the Russian National Union and deputy of the State Duma, by Igor Lenskiy; place and date not given: "Dudayev Should Have Been Snatched"]

[FBIS Translated Text] [Lenskiy] Sergey Nikolayevich, what impression is the military operation in Chechnya making on you?

[Baburin] An impression of the monstrosity of what is happening. It is in vain that the media are interpreting matters such that Russia is fighting an alien hostile state. The Chechnya tragedy is Russia's tragedy. Because the population of Chechnya means the same kind of citizens of Russia as all of us. The majority of inhabitants of Chechnya consider themselves Russians, and for many, Russian is their native language. Nor do they support Dudayev. Now they have found themselves between two fires. It was for this reason that I demanded at a meeting of the Duma that combat operations not be allowed to spread from Groznyy to the rural areas, for which the bulk of the population, which is steering clear of the conflict, has left.

I am convinced that full use was not made of political and nonmilitary means of a solution of the crisis. The use at the forward edge of raw conscripts was the height of irresponsibility.

[Lenskiy] Many people were of the impression, however, that you supported the war in Chechnya.

[Baburin] Our consciousness drives us into a fearful dilemma: Which separatist is better, which separatist will you support? The separatist Yeltsin, who demolished the Soviet Union, destroyed our economy and defense potential, and put the people's future in jeopardy? Or the separatist Dudayev, who is destroying Russia today and killing off its financial system, asserting gangsterism as a norm of life?

Both separatists are equally unpleasant for me. But personalities come and go, the people and the state remain. In addition, something has to be passed on to future generations also. It was for this reason, to be frank, that I opposed, not without hesitation, the peacemaking initiatives of Gaydar, Kovalev, and sundry Russia's Choice people. Because I realized that concealed behind the words about the nonuse of force is an all-Russian Karabakh. A long one, which would entail not thousands but millions of casualties.

I can with greater justification than others censure Kovalev and his associates for connivance at the criminal regime that has in three years been formed in Chechnya, because in these years I raised the Chechen topic in the Supreme Soviet of the Russian Federation repeatedly. How did it all begin? In the fall of 1991, with the blessing of the August victors Yeltsin and Khasbulatov and by the efforts of Burbulis, Shakhray, and other of my present neighbors in the Duma, law and order were demolished in the Caucasus. To exclamations concerning the downfall of the communist regime in Checheno-Ingushetia they brought to power persons who were to have constituted an unquestioning team with their Moscow patrons. Dudayev was at that time assigned the role of minister of defense. But, as the coup d'etat in Checheno-Ingushetia progressed, Dudayev naturally reasoned that since he had been permitted to do everything that he wished, why not proclaim himself president.

It is inexplicable, however, why, after three years of the cultivation of this criminal regime, the Kremlin decided one fine day to demonstrate force. What was this—deterrence of the opposition and the regions or simply thoughtlessness?

[Lenskiy] It is with good reason, evidently, that the leaders of Russia's republics have become uneasy today.

[Baburin] I greatly regret the meeting in Cheboksary with the participation of the competent politician Yuriy Skokov, at which the leaders presented a separatist statement. They demanded the resuscitation of the Council of Heads of the Republics and the creation of some Congress of Peoples, that is, the founding of parallel representative authorities not specified by the constitution. Widening the breach between the republics of the Russian Federation and the other components of the Federation today is an extremely antistate position.

[Lenskiy] Perhaps they thought that power methods could under certain circumstances be employed not only in Chechnya?

[Baburin] There is no need for those who have no intention of destroying Russia to think about the methods with which Russia would put a stop to such actions.

[Lenskiy] Following the conference and in development of his ideas, the president of Chuvashia issued an edict which recommends that conscripts not take part in the Chechen events.

[Baburin] It is not charity when a high official reasons: Chuvashia will recall its conscripts, while Omsk Oblast, let us say, sends its conscripts. In the name of what is blood being shed? This is the question. In the name of the assurance of peace and law and order. Irresponsibility, however, does not embellish Russian politicians. What for me is the position of N. Fedorov, what is the position of S. Kovalev—it is a repetition of the route of catastrophe traversed by the Soviet Union.

After all, Sergey Adamovich utterly ignored the Chechen problem for three years. Now he has one-sidedly adopted Dudayev's position, seeing one side and believing that this side is the beginning and end of the matter.

[Lenskiy] But if I have understood correctly, the declaration of a large-scale war on Dudayev was a mistake even in your view?

[Baburin] I say unambiguously that the problem could and should have been resolved with the use of the army, without hostilities having been commenced. The special services should have carried out a precise local operation, snatched Dudayev and his entourage, if you like. Let's say it does not work. But the military command has not been up to the job either. We should not have been shooting up the streets, we should not have been fighting for the presidential palace, losing our soldiers, we should have been wiping this palace from the face of the earth. Using the weapons, even the most drastic, that would have eliminated the gangster groupings.

[Lenskiy] But in practice hundreds of peaceful citizens were "eliminated" in passing.

[Baburin] That's what military art consists of: You need to operate so as to ensure that there are no "in passings."

[Lenskiy] Some 14,000 Soviet people met their end in Afghanistan, but over 10 years. In Chechnya—half that number of total casualties in six weeks. However the war ends, the death of Russians will lie as a heavy burden on the shoulders of those that sent the troops....

[Baburin] I am not a military man. But I served in Afghanistan. I saw for the first time there a person being flayed alive. And I do not want that nightmare on foreign soil to become a daily occurrence in my motherland. It was for this reason that, without beating about the bush and without a view to personalities, I opposed those who have ravaged the fatherland since the fall of 1990. It was clear to me that the preservation of the Union was a matter of war and peace. This was soon borne out: tens of thousands of dead in Tajikistan, Abkhazia, and the Dniester region. A fateful role in the fate of several generations of Russians will be performed by the black October of 1993. Yeltsin set an example of how the Constitution may be trampled and elementary legality cast aside. Returning to the soil of peace and harmony today will be incredibly difficult.

We need to investigate, of course, whether it was the ineptitude of the political and military leadership that led to the enormous losses or whether there was ill intent involving a program of deterrence, into which we were pulled by anti-Russian forces. In any event, it should be understood that war is always dreadful and that it cannot have an attractive face. And connivance at criminals—Chechnya has shown this graphically—leads to a growth of the tragedy and an increase in the number of casualties.

[Lenskiy] Some people are of the opinion that it is not criminals and not gangster formations but an armed people that are fighting in Chechnya.

[Baburin] I am convinced that this is a lie. A large part of Dudayev's formations fled, and their place was taken by foreign mercenaries. While in Yugoslavia recently, I learned for a fact that on 10 January Mr. Izetbegovic triumphally sent off from Sarajevo 46 Bosnian volunteers for Istanbul, from where they set off in a larger body to assist Dudayev. The Islamic fundamentalists understand full well that the main lever of the destruction of Russia lies via Chechnya. The lull in Bosnia and the stimulation of the peacemaking efforts of the United States in this region are explained primarily by the aspiration of the Western powers to shift the crisis of tension from the Balkans to Southern Russia.

[Lenskiy] For what reason did you go to Yugoslavia?

[Baburin] To study, inter alia, the international aspect of the problem in the North Caucasus and to check out our hypotheses regarding outside influence on it of the situation in Bosnia The majority of our worst fears were confirmed. The internationalization of the conflict in Chechnya and Gaydar's idea (also taken up, unfortunately, by some of politicians of the left) concerning an invitation to UN and OSCE observers is extremely dangerous, in my view. We have already had this—this is how the Yugoslav tragedy began. Why should we repeat it?

[Lenskiy] There are now arguments over who once handed over so many weapons to Chechnya.

[Baburin] I am convinced that the question of the abandonment of the arms cannot be settled at any level below the Government of the Russian Federation, which was at that time headed by Yeltsin, Gaydar, and Burbulis. A particular role was, accordingly, performed by Defense Minister Grachev.

I would very much like to see an investigation of the secret relations that took shape between the Dudayev regime and Moscow political circles. Even now, when military operations are being conducted, there have, according to my information, been instances of Dudayev publicly having initiated the counteraction of decisions which have only just been adopted by the Security Council of the Russian Federation, but which have not been announced officially and have not been implemented. In addition, some of the Security Council's decisions have become known to Dudayev before their official promulgation. The problem of the leaking of secret information is very serious.

[Lenskiy] Who precisely, according to your information, is transmitting such information to Dudayev?

[Baburin] I have serious questions about Rosvooruzheniye and certain persons in the Ministry of Defense of the Russian Federation.

[Lenskiy] Are you personally participating in a resolution of the crisis in Chechnya?

[Baburin] I sent a letter to the Security Council of the Russian Federation, in which I proposed a certain approach and offered my services as a mediator. As a member of the Commission of the Supreme Soviet of the Russian Federation for a Settlement of the Situation in the North Caucasus, I visited the region many times and am acquainted with the leaders of nationalist organizations and all leaders of the North Caucasus republics. I said in the letter that I was prepared to go to Chechnya with specific proposals and alternative solutions. I did not receive a response from the Security Council, from which I concluded that the authorities have no need of my assistance.

[Lenskiy] But you have met with Baturin, the president's national security assistant.

[Baburin] Yes. He adopted an understanding attitude toward what I thought. But Baturin, as I understood, is not the authority that influences decisions on Chechnya.

[Lenskiy] What is the essence of your approach?

[Baburin] It is essential to ensure that order be instituted in Chechnya primarily by the inhabitants of the republic themselves. Not via negotiations with Dudayev, of course (it is futile venturing upon a dialogue with a criminal). We need to hold consultations with various political forces, under no circumstances succumbing to a provocations inciting a counterpoise of Chechnya and Russia, and endeavoring to hold elections of the representative authorities as quickly as possible. Subsequently they themselves would resolve all problems.

[Lenskiy] How do you view the Khadzhiyev government, which to many people seems to be a "puppet"?

[Baburin] If Khadzhiyev can hold free elections, a monument should be put up to him.

[Lenskiy] You do not rule out figures from Dudayev's immediate entourage also subsequently becoming a part of the state administration of Chechnya?

[Baburin] These people have so discredited themselves in the eyes of the inhabitants of the republic that they will hardly gain the support of the population.

[Lenskiy] Your forecast for the coming days?

[Baburin] Events are developing in the right direction. The neutralization of Dudayev's detachments is being completed. After this, it will be essential to withdraw the Ministry of Defense units to their permanent bases and to continue to normalize the situation with MVD and procuracy forces. To restore the power of civilian administration as quickly as possible.

[Lenskiy] What you think, will Yeltsin's position be consolidated or weakened as a result of the Chechen events?

[Baburin] It is not this that worries me. I am worried as to whether the Russian Federation will be preserved as a state and whether the possibility of the reconstitution of the Union on the territory of the former USSR will strengthen or whether the disintegration will continue.

RUSSIA: LDPR Paper on Chechen War

954F1202B Moscow PRAVDA ZHIRINOVSKOGO in Russian No 1, Jan 95 pp 1, 2

[Unattributed article in the "Politics Unadorned" column: "War in the East"]

[FBIS Translated Text] The East has traditionally been for Russia a region of the confrontation of two civilizations: Christian, characterized by the European value system, and Muslim, in which customs and views of human life that rarely find a point of contact with the European system hold sway. The basis of the East is Islam, a young religion with expansionist leaders. This religion is 700 years younger than Christianity and is reminiscent in its level of historical development and customs of medieval Christian society with its intolerance of those of other faiths and the brutality of feudal relations. The nature of the wars between the Christian and Muslim worlds has for this reason been determined down the ages by the particular brutality imposed by oriental customs.

An analysis of the Christian-Muslim wars over the past 250 years shows that not one war has ended in the victory of Islam. The exception is Afghanistan's victory in 1919 over Britain, but the latter fought there mainly with Hindu troops (Buddhists), and for this reason the example is atypical. But total victory over the Islamic countries was always difficult, and over the last 200 years only Russia has had systematic success here. The experience of these victories therefore performs an inestimable role for Russia, on whose outskirts the conflagration of eastern wars flares up.

The course of history shows that the East respects only strong, bloodthirsty, and cunning enemies. Threats, persuasion (negotiations), and a peaceability without the real use of force, if only for edification purposes, has always been evaluated and is now evaluated there as a sign of weakness. Respect for borders in the East is of a conditional nature, for venality and the desire to pillage one's neighbors or people of other faiths know no bounds there: Relations that are well-nigh feudal determine the legitimacy of the violation of borders for the purpose of smuggling or plunder.

A loose interpretation of Islam with the almost total illiteracy of the population has engendered and continues to engender in the East the appearance of Islamic fanatics (Islamic fundamentalists), who have always been the exponents of an ideology of aggression. In this connection the conveyance to the Muslims of a correct interpretation of Islamic canons and the physical elimination of the fanatics has always made it possible to gain control of the situation. In just the same way the taking of hostages and the administering of the oath to the population—actions seen in the East as absolutely normal—were an effective weapon in the struggle in an oriental war.

Life has shown that the indigence of the population and a tribal structure make it possible to wage war in the East to the extent that the leadership of a country (tribe) or Islamic fanatics might wish, and inasmuch as they are all secretly venal, the war could always be ended by gold, without a recourse to extremes. For this reason every victory of arms was always accompanied by the confiscation of the property (the harem included) of this upper stratum in order to keep it on a leash of hope that it would obtain from the hands of the conqueror what had been lost.

Whence the main conclusion: IT IS NECESSARY TO FIGHT A WAR IN THE EAST ACCORDING TO THE RULES OF THE EAST AND TO STRIVE NOT FOR VICTORY IN BATTLES BUT FOR VICTORY IN THE WAR. And to remember that movement westward (to Russia and Europe) has always been and remains a principal landmark of the geopolitical doctrine of Muslim fundamentalism. And that its executants will wage war according to oriental, not European, rules (the example of Yugoslavia is proof of this).

If we now view the USSR's war in Afghanistan with regard to what has been said, the failure that befell the Soviet Union becomes perfectly understandable. Prior to this, Russia had won all wars in the East not thanks to a fake love of peace but thanks to speed, powerful fire pressure, and ruthlessness toward the enemy soldiers and even the population if it violated the oath that it had given, without simultaneously bringing about the total collapse of the state structures of its adversary here.

When waging war in the East (be it with guerrillas or a state attempting to interfere in Russia's internal affairs or with combatants operating from the territory of a contiguous state—as in Tajikistan), the following are essential under modern conditions: fire and maneuver superiority to the adversary; a blockade of the borders by engineering installations and a readiness for the perimeter defense of all the locations where the troops are based; powerful preemptive attacks (if necessary), despite the neutrality of this state or the other; the internment (annihilation) of political or fundamentalist leaders or class groups capable of putting forward those that would inspire armed struggle. A decisive fight against crime, specifically against drug trafficking, and other illegal financial and other transactions should be undertaken simultaneously inasmuch as it is crime that provides the additional financial replenishment for overt and covert political leaders. All agreements in the East must necessarily be underpinned by power actions and the subornation of these leaders—from chiefs through field commanders. The possibility of losing property and money, in foreign banks included—this is the main factor capable of bringing them to subordination and the restoration of peace.

The following of these rules brought about the success of Russian arms and brought peace and tranquillity to the region. Our capacity for applying in a possible conflict the experience of two countries that understood the East—tsarist Russia and colonial Britain—would be a factor of the speedier restoration of peace in the region and a reduction in the total losses of both sides.

The said rules will appear unacceptable to our "enlightened public," particularly in the Democratic Russia news media. But let them in that case not study the experience of the Russian Army but direct their gaze toward the tactics of, for example, Israel, which makes extensive use of it.

Chechnya is the East also. How the Russian leadership has operated in Chechnya and whether it has followed the experience of past generations of Russian politicians or not, will, we hope, be shown by the not-too-distant future, when there is reliable information on the events that have occurred there.

Chernomyrdin Discusses Slovakia Trip, Chechnya

AU1302192795 Bratislava NARODNA OBRODA in Slovak 9 Feb 95 pp 1, 7

[Interview with Russian Prime Minister Viktor Stepanovich Chernomyrdin by several unidentified Slovak correspondents in Moscow on 7 February; recounted by Blazej Panik from NARODNA OBRODA: "V. Chernomyrdin in an Interview With Slovak Correspondents: Slovakia Is a Country Friendly and Dear to Us"]

[FBIS Translated Text] Moscow—Russian Prime Minister Viktor Chernomyrdin is coming to Slovakia for a two-day visit on 13 February, which is why he granted an interview to the representatives of some Slovak media—TV, Radio, TREND magazine, and NARODNA OBRODA—on the evening of 7 February. It is his first visit abroad this year. Chernomyrdin (56)—who was put on a strict diet by his physicians (he lost 13 kilograms recently)—is, after President Yeltsin, the second most influential Russian Government official. He has been heading the government since December 1992.

[Slovak Radio] Mr. Prime Minister, after some time, you will meet with the Slovak prime minister again. Why precisely now, and why was Bratislava chosen as the only destination of this trip?

[Chernomyrdin] Why the only? (laughter) Well, first, the length of time that has passed since the last meeting has nothing to do with any political or other events. My visit (planned for some time—ed. note) had to be postponed several times for dearth of time. Two government changes occurred in your country last year. I have been ready to come for some time, but the elections in your country interfered, and eventually the decision was made to meet with your new, old prime minister. Why the only destination? Why precisely Slovakia? We agreed on this some time ago during a meeting with Prime Minister Meciar. Our presidents then met in Budapest and they exchanged letters of accreditation, and I also decided to make the first visit this year to Slovakia. Nevertheless, I want to emphasize that the visit should have taken place earlier and it did not happen purely for reasons of time. There is no politicking behind it. Things are not all that simple in our country either. Frankly, I should say that the situation is rather complex, and that it is not easy for me to travel abroad at this time. I believe that the visit will take a normal course.

There will be talks with the cabinet and Prime Minister Meciar, whom I have known for some time. I still remember him from when I visited Slovakia as deputy prime minister, while he became prime minister for the first time in 1992. Moreover, Slovakia is for us something personal: It is a friendly, close country, and one can even say it outright—a country dear to us. Both formerly and now, there has been a lot that ties us together, and I would like our ties to continue developing fruitfully. For myself, I am satisfied in this respect, since over the past three years our mutual trade has continued to grow steadily, albeit with some fluctuation.

[Slovak Television] What are the chances that the Yamal- Western Europe gas pipeline will pass through Slovak territory? Also, how far along is the realization of founding a joint "shopping center" with Gasprom?

[Chernomyrdin] Regarding the second question, I am of the opinion that it is a worthwhile form of cooperation that is being developed in all of Europe—and that on the basis of contacts signed some 20 years ago. Therefore I support this idea and believe that it will be realized. That is also the reason for the presence in our delegation of Gasprom Co. President Rem Vyachirev.

Regarding the construction of the Yamal-Western Europe gas pipeline and its route through Slovakia, then some of the technical aspects have already been discussed. However, I cannot say that a decision was made. At present, the focus is on various technical and economic arguments. In principle, however, such a possibility exists—the pipeline would pass through Belarus and Poland, and from there via the southern corridor through Slovakia and on. All this must be discussed and calculated. A wish is not enough. It must be advantageous and expedient. So, it should not be a burden for either side.

[TREND] What chances, do you believe, are there for increasing the volume of our mutual trade, especially exports of goods from Slovakia?

[Chernomyrdin] I am aware of a large part of the trade turnover—to the amount of $1.5 billion—consisting of our exports to Slovakia with raw materials—crude oil and gas—being responsible for approximately 70 percent. Slovak exports amount to some $300 million. Why not more? I believe that your export potential with respect to our country is not being sufficiently exploited. It might be useful to pay a little more attention to the possibilities of Slovak exports to Russia because the possibilities certainly exist. I believe that the agreements we are prepared to sign during the visit and the discussion of issues that we are to consider from the point of view of their future prospects will enable us to intensify our trade-economic relations.

[TREND] What mechanisms do you see that could increase Slovak exports to Russia? Could a reduction of import duties on your side possibly also help?

[Chernomyrdin] Why only on our side? That is a bilateral issue. I believe that specific issues of our mutual trade must be settled between the firms in question. It used to be that such issues were dealt with on the level of the state. The task of the government is different now. The governments must create the most acceptable and attractive conditions for the firms and enterprises. Within this framework, the objectives and additional levers can be discussed, but all this must come from those who want to cooperate. The forms may differ—joint ventures, joint production, exchange of goods. The possibilities are many, all that is needed is interest and, I believe, also a certain determination, above all, on the part of the bosses of the firms—both Slovak and Russian.

[NARODNA OBRODA] Mr. Chernomyrdin, certain hopes of stopping the bloodshed in Chechnya have been connected with your name. What is actually preventing the makeshift from arms talking to real talks?

[Chernomyrdin] Not only with my name.... that is our position, our policy. Even as we speak, we are ready to start a dialogue—but with whom? With Dudayev? As you know, criminal proceedings against him have begun. One has to go back in history, too. We have been trying to settle the Chechen issue for three years—by normal, peaceful means, without any use of force. It was all to no avail. Of course, aginst the background of current events, one is sorry that this alternative was chosen, but there was no other option. All the others were eliminated, refused. The Dudayev regime wanted only one thing—in three years, he basically ruined everything that could be ruined. Chechnya became a criminogenous region. One could not take it any longer, one could no longer just stand by with arms folded. I want to emphasize that we will seek and use any chance to end the military operation in Chechnya. Perhaps in the nearest future we will talk with those who decided on these issues, with some commanders of the armed groups. Nevertheless, it is not so simple.

[Slovak Radio] Russia has demonstrated a very specific approach to European security issues, particularly after the Budapest summit last year. In this context, what role do you attribute to the OSCE [Organization for Security and Cooperation in Europe]?

[Chernomyrdin] I would not emphasize a specific approach of Russia to the European security issues. We want to play an equal part in this process. I do not believe that Europe today can be Europe without Russia or that it does not care what it will be like. We are not asking for any special conditions for Russia; we do not want Russia to have a special status. We only want what everyone else does, we want the same conditions as everyone else. We sincerely wish that the OSCE unites Europe rather than divides it, and to this purpose we will do everything in our power. We are well aware of the situation now, but we will get over it.

[Slovak Television] How does Russia view the endeavors of its former allies to join NATO?

[Chernomyrdin] Our position is well known. President Yeltsin spoke about it also in Budapest. I can only add one thing: We are not altogether clear regarding the wishes of some East European countries to join NATO as soon as possible. Why? Against whom is it aimed? Let me raise these questions—just like I am asked, I can ask: What is behind it? These endeavors are not altogether meaningless to us in Russia. Why are you rushing it? In a while, thing get settled. Regarding our position on NATO, we will also cooperate with this organization and hope for the processes developing in precisely this direction, i.e., towards cooperation. When we observe, however, the wish on the part of some to join NATO as soon as possible, expand NATO, the question necessarily arises: Why is it so? I do not believe it to be advantageous for any country, especially for the East European ones. It is not advantageous at all.

[NARODNA OBRODA] Mr. Prime Minister, for some time now, Russia has experienced the absence of some national, state idea, which would play a unifying role in society on the one hand and be a certain driving force in overcoming the present difficult period of transformation on the other hand. What should such an idea be built on? What could be the center of society's unification?

[Chernomyrdin] It is a very interesting question. Yes, we used to unite in the building of socialism, and then communism; we were after something, we had a goal—and suddenly we have neither this nor that. Nevertheless, I do not see it as a tragedy for our country or our people. Our duty—that is, the government and the president—is to form such conditions for the Russian citizens that they can live better. Hence, we must unite in endeavors for a better life. We are not preparing the market environment for the sake of the market per se. Incidentally, we are already past this stage. The question is no longer market yes or no. Everyone knows that we must go the way of market relations. This, however, is not a simple task, particularly for our state. Russia is an enormous country with many specific natural features and a particular Russian character, which must also be taken into account. Therefore, some time is needed for all the new mechanisms to settle in so we can use them in the application of market relations. At this time, we should be united in creating the conditions for a normal life, as well as for the man who is working well to also live well—at least that is how I see it.

Zyuganov on CPRF Organization

954F1203A Moscow GLASNOST in Russian No 3-4, Jan 95 p 4

[Interview with G.A. Zyuganov by Yu.P. Izyumov; place and date not given: "Before the Congress"]

[FBIS Translated Text] **The Third Communist Party of the Russian Federation Congress opens on 21 January in the Hall of Columns of the House of Unions. An interview with Gennadiy Andreyevich Zyuganov, chairman of the Communist Party of the Russian Federation Central Executive Committee, by GLASNOST Chief Editor Yu.P. Izyumov is devoted to this event in the life of Russia's communists.**

[Izyumov] What are the political results that the party is taking to the congress?

[Zyuganov] The party has in these two years negotiated a difficult path. From slights and prohibitions to the restoration of all its structures in practically all regions of the Russian Federation. It supported the idea of the formation of the Union of Communist Parties (UCP-CPSU) and is now regularly coordinating efforts with the fraternal parties that have been formed on the territory of the Union, primarily around the idea of the voluntary restoration of the union state. The Communist Party of the Russian Federation maintains relations with approximately 150 parties and movements of a socialist orientation and patriotic forces of a left patriotic state focus and has taken part in many international forums. It publishes at the regional level 120 newspapers and news bulletins. It has strengthened its positions in all spheres of representative power, particularly on the periphery, and here also, in the State Duma and the Federal Assembly, which affords it an opportunity to avail itself of their platforms for defense of the interests of the working people.

The voice of the Communist Party is today heeded by the community at large and patriotic circles, and it is capable together with the agrarians, commodity producers, unions, women's and veterans' organizations, and the patriotic movement of forming an alliance of state-patriotic forces, offering its programs of economic, socioeconomic, and cultural development, and of forming together with its allies a government of national trust.

The party is firmly back on its feet, and the dross that existed initially, in view of the vagueness of the processes that were taking place, has been stripped away. The party conferences that were held on the eve of the congress were of a businesslike, constructive nature. The directive body has been rejuvenated considerably. I would like to mention that this demand of the Central Committee has been supported by the communists of the older generation, for they understand full well that there must under the present very complex, dramatic conditions be a reserve of strength and experience and forces and spiritual ardor in order to combat the governing regime, which has betrayed the country's interests and which is continuing its absolutely destructive policy.

The party has performed the difficult work of the formation of a draft program and today has a clear vision and evaluation of the situation and of the prospects of development. I am sure that the congress will adopt this draft, which will lay a good foundation for the further political and organizational strengthening of the party.

[Izyumov] The next question concerns the qualitative makeup of the Communist Party of the Russian Federation. In 1991 and before this, many workers recoiled from the CPSU, which predetermined its collapse. The negative attitude of the working class, up to and including anti-communism, is now a thing of the past. But the workers still have little affection for the communists, evidently. Only the higher educational institution party organizations are being restored in Moscow as yet; nothing is heard of the plant organizations.

[Zyuganov] The situation in Russia cannot today be evaluated by Moscow. Moscow is increasingly reminiscent of a cosmopolitan megapolis, which does not live by the interests of the country but grinds up huge financial resources, up to 70-80 percent, skimming the cream off them; first- and third-world relations are being reproduced in the country, essentially. In many families here, someone works at a joint venture or serves foreigners, thereby creating tolerable conditions for himself. Although there is a mass of people living in poverty, particularly among the young people and senior citizens, in Moscow also.

On the expanses of Russia as a whole, the situation is somewhat different. I spend a third of my time on assignments involving travel. Coming into contact via the work force with all social strata—workers, kolkhoz members, scientists, specialists, creative employees—I have endeavored to convey to them the meaning and essence of our political line and the nature of a party in renewal. And I have seen that the attitude toward the party and its position has changed and is continuing to change for the better literally before my eyes. Working people are gravitating toward us. We conducted in Moscow Oblast a congress of workers, to which representatives of practically all oblasts and republics came. And I would like to say that, except for a small stratum, the positions proposed by the communist workers and deputies were adopted. A council, which is operating quite successfully, was formed. There is not now in the plant outfits even a hint of hostility toward the party or a reluctance to rub shoulders with it.

[Izyumov] But the working people have yet to start to join the party?

[Zyuganov] They have started. Not as actively as we would like, but they have started.

[Izyumov] The support of the youth is no less important for a party.

[Zyuganov] There is no forest without undergrowth. So in a party also. It is incapable of operating without the youth. I have myself just recently met in person in over 30 of Moscow's educational institutions with students, graduate students, and lecturers. There is great interest in us; requests for admittance to the party are sometimes expressed after these meetings. The party is getting younger; you will see this, even outwardly, at the congress, and this is the best result of the work of the past few years.

[Izyumov] How do you see our society's further development?

[Zyuganov] Russia is at a dramatic crossroads. Not only Russia; the whole world, in fact. The capitalist mode of production, although having undergone certain appreciable changes, has not resolved the main contradiction: between labor and capital. Its inhumane essence is manifested today also, in new characteristics, it is true. Even its most furious defenders admit that it has approached the finish line. The possibilities of human society's further development with the same mode of production and system of consumption are already limited. The most important geopoliticians, philosophers, and political scientists are declaring bluntly that it is possible to progress further only with a new value system, where man and his activity correspond to the possibilities of the environment and interstate relations. An agonizing search for this path of development is under way.

It seems to me that socialism could now acquire its second wind; we need only go not back but forward. The future is on the side of the system that is based on man and his culture, education, and intellect. The future is on the side of a system of consumption that proceeds from the creative possibilities, self-organization, and independent activity of the citizens. The future is on the side of post-industrial technology and the idea of economies in all natural resources. Otherwise, mankind is doomed. Very appreciable changes both in the "man and society" system of relations and in the "man—state and nature" system of relations are required. We will seek answers to these questions at the congress. An entire section in the program is devoted to this problem. I believe that GLASNOST will familiarize its readers with our program principles.

[Izyumov] And what can be said about Russia's immediate future?

[Zyuganov] As far as the regime is concerned, the entire country is now in opposition to it. It is already in opposition to itself, even, in my opinion. It has smeared all of Russia with dirt and is now inundating it with blood. The regime cannot resolve problems by the normal, democratic method; it lacks both the intellectual and moral forces for this, and each subsequent twist of the spiral of confrontation spurs hysteria and becomes more prolonged and bloody. At the same time, on the other hand, if evolutionary gradual development is secured, it is doomed, and the opposition will inevitably come to power.

It is very important to pursue tactics and strategy that take account of these circumstances and consolidate forces to the maximum. I see as the solution the creation of a broad alliance of state-patriotic forces, reliance on various social circles, and the formulation of a doctrine of national-state development, the core and foundation of which is composed of defense of the country's territorial integrity and the national-spiritual and cultural values, way of life, and traditions of our fatherland. With the use, naturally, of that which is most valuable from the experience of all peoples of the world.

There is no way out of the current difficult situation without the restoration of all types of relations of the single union state with initiative on the part of Moscow, Kiev, Minsk, and Alma-Ata. I took part last year in many important activities which realized this idea. Very powerful pressure from below for the accelerated restoration of a renewed union state and a process of the reconstitution of a unified Communist Party is being felt. Complementing and supporting one another, they should proceed together.

[Izyumov] This was heard very strongly at the Second Congress of Peoples of the USSR.

[Zyuganov] The Congress of Peoples of the USSR, which took place in Moscow in December, made a very good impression. Despite all the difficulties, there was not a single region, not a single oblast, not a single republic that did not send delegates to confirm its will to the restoration of the union state. I have the feeling that were a referendum to be held, there would be even more of those wishing to live in a unified state than in 1991.

[Izyumov] Since the anti-communist putsch of 1991, honest communists have occupied a position of total rejection of the Yeltsin regime. Is it not now time to actively establish ourselves in all structures and to prepare their reorientation? Or, on the contrary, to ensure that they go bankrupt as soon as possible?

[Zyuganov] We cannot, naturally, cooperate with or become a part of the managerial structures of those who are directly pursuing an anti-popular political policy and continuing the thieving privatization. But if we intend in all earnest to lead the country out of the crisis and implement our own program, we need to have professionals of the highest level, because as each day goes by, the accomplishment of this task will become more and more complicated. We must have a set of programs: of economic and social development, the fight against crime, national security, the pursuit of a nationalities policy, social protection of the citizens, and support for science, culture, and education. And for each we need to have executants who are capable of carrying out what is planned. They can only be cultivated in practical work.

In this connection we have, in my view, adopted the right decision, taking part in the elections in all regions. And our representatives, together with our allies, primarily the peasants, have been victorious in an absolute majority of regions. They are now attending a good school there.

On the other hand, we are shoring up ties to all those who have always been very close to us and who have cooperated actively and well—Glazyev, Isakov, Baburin, Medvedev, and a whole number of others. We are in constant contact, and we check our policy with modern industrialists, entrepreneurs, financial experts, and specialists in the field of security. This is a matter of exceptional importance. There are among us, of course, those who are angry that this communist or the other has agreed to work together with this person or other. Excuse me, and if tomorrow an opportunity to govern presents itself? Will we be in a position to come and say to everyone: "Please leave! We will bring in our own team"?

It took Lenin just a few weeks to urgently bring back all the specialists that there had been in tsarist Russia and to pay them a big salary. He realized full well that the machinery of state, one that was falling apart as it was, would fall apart conclusively and that everyone would then be engulfed by chaos and crime. Several years even have not been enough for those who called themselves democrats to recognize that the equipment of a junior research associate is entirely inadequate for controlling complex state systems. We, however, are even now creating strong intellectual and information centers, to which specialists of the highest level are coming willingly, working energetically on all the Duma's committees, and accumulating experience, knowledge, and the appropriate connections. I believe that this will be repaid a hundredfold.

[Izyumov] And for what path should the communist rank and file opt?

[Zyuganov] The communist rank and file? They should support all that is intelligent, modern, conscientious, and enterprising. And they understand full well that however painful it may be, you cannot step into the same river twice. Society develops in only one direction—forward.

[Izyumov] The following question in this connection. Serious party activity is impossible without a material and financial base. Things are thus far in bad shape with all communists in this connection. We do not know how to steal....

[Zyuganov] Stealing is impossible, and we will not do it.

[Izyumov] Nor is the entrepreneurial spirit all that strongly developed in our milieu, but funds are necessary. What is to be done?

[Zyuganov] I believe that it is necessary first and foremost to institute a system of economic support for party work by party members and our allies and sympathetic fellow travelers. We are still far from making full use of our possibilities here. On the other hand, we need to establish ourselves in the industrial entrepreneurial process primarily to ensure the efficient operation of our press, our publishing houses, and our information and analysis resources. In my view, insufficient use is being made of an amalgam of efforts with various movements, parties, and currents which, with a pretty good base already, realize today that from the information, political, and intellectual viewpoint, our party has immense potential—for this also is a kind of capital, which is worth a great deal of money.

[Izyumov] Should not the posts of leader of the party and chairman of the Duma faction be split? This is an opinion that is expressed in letters to the editor. Why? Because organizational work in the party in itself requires such efforts and so much energy and time as could in the two fields be beyond one man's capabilities.

[Zyuganov] We have discussed this matter, and it has been resolved in principle. Were there normal conditions and the democratic process were developing successfully, that would be one thing. But it is no accident that the leaders of all factions and parties are working in the State Duma at this time. For this platform affords a broad outlet to the audience in order to set forth one's programs and opinions and to submit bills, an opportunity for travel for broader communication with the electorate, and much else. As a whole, in my view, the combination of positions under current conditions is perfectly justified.

[Izyumov] I wish you a successful congress!

Zhirinovskiy Aide Profiled

954F1202C Moscow NEDELYA in Russian No 1, Jan 95 p 6

[Article by Feliks Medvedev: "The One Who Bested Limonov"]

[FBIS Translated Text] **"Yes, I am one of those to whom Soviet power gave everything. I do not have a word to say against Soviet power. Not one. Soviet power did not impinge upon me in the least. I say this absolutely firmly. Although I was not a secretary of a Communist Youth League rayon committee or of a CPSU oblast committee, I was not even a member of the party. I studied at an elite French school, but at the age of 16 I became student of the International Relations Institute, a highly prestigious Soviet higher educational institution. Then the UN school, service in the Ministry of Foreign Affairs, and lengthy overseas assignments."**

I have known Aleksey Mitrofanov since those far-off times when if not all, then half, the assorted Moscow elite would hang out in Dzhuna's hospitable chambers. Now my acquaintance is minister of foreign affairs in the Zhirinovskiy shadow cabinet, and he received me in his rooms on the eighth floor of the State Duma building. I managed this meeting not without difficulty.

Having merged into Zhirinovskiy's orbit, Aleksey was elected a deputy by party slate and then subsequently deputy chairman of the State Duma Committee for International Affairs. This name has now been glimpsed fleetingly in the newspapers in connection also with the fact that he became the No. 2 in Mavrodi's People's Capital. A hero, he seemed to me. My goodness, he was catapulted: from the environs of the democrats into the embraces of Volfovich. Circus acrobatics.

"Where's the unscrupulousness here?! Well, think about it for yourself. I, an international affairs scholar, quickly found a common language with Zhirinovskiy. Proximity of education brings people closer together, unites their interests. And then, if you recall, Zhirinovskiy was in those perestroyka times similar in his makeup and ways to many of the democrats of that time. He was an outstanding personality, and I have always been attracted to people who are out of the ordinary. So we came together...."

Aleksey dissembled slightly. He had in the past knocked about with Glazunov and Dzhuna and Mikhail Bocharov.... He tried to be useful to them, brought foreigners to see them, brought them together with the mass media, and won their friendship. It is rumored that he was once the great healer's fiance even. Perhaps he curried favor with them, perhaps he looked down on them. The latter not without reason, incidentally.

Reports filtered some time ago into Western newspapers to the effect that Aleksey Mitrofanov was the natural son of Yuriy Andropov, the all-powerful boss of the KGB and general secretary. There was no refutation of this on the part of Mitrofanov, his mother, or Andropov's family. Consequently....

The story in the Western paper says that a woman close to her time came in March 1962 to the Krupskaya Moscow Maternity Hospital and, confronting the nurse with the fact, declared that she would not leave the maternity hospital until the child was born. When the dark-complexioned infant appeared, a luxury government limousine drew up in front of the maternity hospital, out of which stepped an imposing type, who, standing there for a moment, rested his gaze on the small hidden window. The mother of the newborn child threw out to the whispering midwives: "He is a relative of ours." But the important gentleman's face seemed familiar to one midwife. It was her that the Western journalist subsequently found.

You can't hide an awl in a sack, as they say. This awl itself in the character of the quite inoffensive Aleksey Yuryevi... excuse me, Valentinovich punched holes in the solid armor of worldly bastions and fortresses. The name Mitrofanov came from his mother's lawful husband. And the Western reporter was astonished that the dean of the Moscow State International Relations Institute had accepted the 16-year-old youth into the bosom of the Central Committee-state security higher educational institution without the additional difficulties for other college entrants in the form of two years of Communist Youth League probationary training and false certificate.

Subsequently the student of the Lyceum, once again in violation of certain prohibitions (if only compulsory married status), was enrolled at the UN school, which requires influence. It was noted in the Western publications also that Mitrofanov enjoyed the sponsorship of Piradov, Gromyko's son in law, ambassador at large. And even when, in 1986, after Gromyko's departure from the Foreign Ministry, several heads from the former minister's entourage rolled, our hero remained untouched. The above permits also conclusions as to why Zhirinovskiy is sticking to this solidly built young man, who is beginning to pad out in his shoulders. It seems to us that Mitrofanov creates for the LDPR and its leader the image of high and necessary connections in both old and new upper reaches.

When I asked Aleksey whether he was disenchanted or not with Zhirinovskiy after all that he had learned about him in the period of proximity and work, he replied very sharply:

"No! No disenchantment, by and large. The contrary even: He astounds me more and more. Am-a-zes! By his great political intuition. And society has instinctively to resist an intelligent individual being above it—a normal sense of self-preservation. Why? Because it is better to have a middle-of-the-road, steady, and predictable Lenya or a quiet Konstantin Ustinovich, outdone by this Lenya, than a smart boss, with his own disposition and spiritual quirks. A smart one could outdo everyone. The smart ones, therefore, need to be kept as advisers. The smart one should advise, and the decision should be adopted by the boss, the chief, the leader. So it has been and so it will be everywhere, both in America and in Germany. Wherever you like.

"And I would like warn that whoever takes Zhirinovskiy to be a primitive clown is oversimplifying everything. More, he is mistaken."

These words were spoken to me by a minister of the shadow cabinet of the largest parliamentary faction.

The shadow cabinet, incidentally—what is it like? I am sure that many people have no idea of its appointments or functions.

"Our job," Aleksey says, "is to familiarize society, the citizens, with those that could lay claim to certain positions in the event of the party's victory at the elections. A shadow government is a feature of developed democracy."

The present job of Mitrofanov and his shadow cabinet colleagues is to convince public opinion that only the LDPR is needed for leadership in Russia and that this party is not some collection of fascists and gangsters but those with whom it is possible to do business. It is a party with international connections: with the Korean

Workers Party, with the directive Iraqi Ba'th Party, with the majority of parties of a nationalist persuasion in Europe. And some credit for this belongs to my hero.

There is much that is mixed up in the LDPR house. It cannot be excluded that Mitrofanov frequently expresses in the press the thoughts of his leader. He most likely expresses them even more often not in the press. Not theorizing but acting. Aleksey Valentinovich told me of one such embodiment of the leader's designs in a state of particular excitement. A conspiracy arose some time ago in the "palace." A group of LDPR shadow cabinet members—Arkhipov, Buzov, Zharikov, Limonov, and others—decided to split off from the mickey-mouse outfit that had given them birth and to found a new, national-radical, party. Mitrofanov was of their number. A stab in the back of Vladimir Volfovich? Not in the least. The point was that these fellows had begun to bore Zhirinovskiy, were pulling him in a red-and-brown direction, and were calling for use of the ax, for blood. It was decided to draw these people off from the LDPR. This had not to be done frontally but behind the scenes, and in perfectly civilized fashion.

Mitrofanov invited his "co-participants" to his out-of-town dacha. A congress was held, and a party under the leadership of Edichka Limonov was formed. The boys rubbed their hands: "Hang in there, Volfovich!" Volfovich stood his ground, and shortly after, on the sly, Mitrofanov "returned" to him.

"This was how I outdid Limonov—think what a sensation this was for him," Mitrofanov proudly dotted the "i."

"There is something suspicious here," one person pondering the mysteries of the Zhirinovskiy cabinet said to me. "This Mitrofanov is a dark horse, the chairman needs him, and, despite all Mitrofanov's frailties, Zhirinovskiy puts up with him."

According to what Aleksey Valentinovich himself says, incidentally, Zhirinovskiy possesses quite a comfortable quality—this homely tolerance. There have been virtually no open arguments or squabbles between him and Mitrofanov. Discussion, yes, but sharply worded drawings of the line, no. As Aleksey acknowledges, he has not encountered a more flexible person, one who operates in highly original manner. Even if Zhirinovskiy does not accept this viewpoint or the other of Mitrofanov or someone else from his entourage, he will make it understood in circuitous fashion that the proposal is unacceptable.

When I asked Aleksey what event connected with his term in the Duma had shaken him, a young deputy, most, he replied: the disbandment at Zhirinovskiy's demand of Boris Fedorov's 12 December faction.

"How elegantly Zhirinovskiy picked off his potential rivals!

"He began with Chechnya, saying that Chechnya is a hot topic, but far off, we are right here, next to one another, and there is no order among us. Why do we put up with a faction which exists illegally and does not have even 35 deputies? And the deputies, surprisingly disposed toward an artistic wave, adopt the decision to expel Fedorov's faction. Albeit with a preponderance of just one vote.... Since this incident, I have considered Zhirinovskiy the most productive player in the offensive team of the State Duma. He is undoubtedly a political Maradonna."

"But Maradonna is a drug addict."

"This is immaterial. Even if he is, he will beat three defenders and score a goal. This is the main thing."

"Aleksey, do you consider yourself a young wolf, as the press sometimes calls the entourage of the LDPR leader?"

"The term itself came from our ranks, in fact. The young entrepreneurs of Russia, the provincial ones particularly, realized that perestroyka had brought money and laurels to those that had been close to the feeding-trough, to the throne, those that were in the center. Those that were remote from Moscow are given short shrift. And they decided to act. They also have money, strength, will to victory. And they are coming to us. It is they who are the young wolves. They are being strangled by taxes, they are sidelined from power, they want a reallotment. And they found us and became the financial support of the LDPR. Aside from the workers and the military, they are our hope and support."

"You have mentioned party money. Whence also, incidentally, do the streams flow into your coffers?"

"Well, to be honest, the source of party money is always camouflaged. The party is interested in money, of course, and we are helped by those who operate under clandestine conditions, in the shadows, those who will hardly ever become known. The source of the funding of any party is always a row-ridden, sensational matter. I will merely say that we do not refuse any offers. We have money, but only the chairman knows everything about it."

"If something happens to Zhirinovskiy, will the party continue to exist?"

"Our party is a living organism, with ideas, a stable structure, connections, plans, and money. But I do not care for talk about people's replaceability. People are irreplaceable. Zhirinovskiy is inimitable also. The LDPR is his child. Zyuganov came into the party by inheritance. Russia's Choice was formed not only by Gaydar but Burbulis also. All parties are a collective creation. But ours was created by Zhirinovskiy."

Meeting with Mitrofanov and preparing this material, I was thinking the whole time about not creating an apologetic piece. About whether someone would say to me: What are you up to, making a hero out of Zhirinovskiy?

It is I who am making the hero?! What Mitrofanov knows about his boss barely counts: Did I really want to hear other words from one of the people closest to Zhirinovskiy? A hero is being made out of the man, whom half the country hates and at whose sudden stunts it shudders and at whose back the other half spits, by the democratic press. I would go further: A hero is being made out of him by our president, the government, and Grachev, who want with bayonets to keep fleeing subjects and objects in one truck garden. Zhirinovskiy has now teamed up with those that have the power and strength.

I, in fact, am more interested in Mitrofanov himself, the man from the entourage, the royal hoste, the palace closet. We should know what kind of people help make the grand policy of one of the top parliamentary pros, lead a party, cause worldwide scandals, deport people under guard, and intimidate. The authors of books on Zhirinovskiy (Limonov again) highlight in Mitrofanov some commonplace-family-philistine negative features: "pudgy," "with the face of a seller of Turkish delight," "a schemer," "stretching the belt of the pants of his sweatsuit and snapping the elastic on what is at the age of 30 even his already imposing hairy stomach." And so? Pants elastic and a hairy stomach—trifling matters in the face of the possible result of the specific actions of members of the cabinet of the most powerful party grouping in the Duma. These details probably complement the portrait of Mitrofanov. As do, for that matter, others that I noticed: energetic, "many-tongued," gentle, a fusspot, with a rational amount of caprice, a resourceful individual, a diplomat.

"The state must support the strong. Our strong must not be allowed to perish.... We need to save our state foreign diplomacy institute, it is dying, skilled diplomats are going into commerce. There is no one to make policy.... Where are the great politicians? Gorbachev betrayed our national interests because he was a lightweight, giving away Germany and the entire Eastern bloc for not even a penny. In his place Zhirinovskiy would for such a service as the unification of Germany have left the Germans with only their shorts.... Gorbachev's strategic policy of the breakup of the system and the USSR was absolutely correct.... Of course, some foreigners will be the first to come to their senses when the Lyuber iron pumpers shout at them in all the bars of Europe and America: 'Well, then, you wimp!' when our mafia starts to pour water into their gasoline at all the pumps of the world...."

There you are then. And you, all you can think about is a hairy stomach, pudgy hands. Before you stands Aleksey Mitrofanov, in all his splendor and physique. He is minister of foreign affairs in the shadow cabinet, he is in the Duma, he is No. 2 after Mavrodi in People's Capital. He is not thinking about his career ("I have renounced this"), he is for autocracy in Russia and sees Zhirinovskiy as president or emperor. Himself, as the gray cardinal. It is more convenient and loyal this way. As yet. But we shall see when the times comes.

Commentary: No Presidential Elections Likely in 1996

LD1002224295 Moscow NTV in Russian 2115 GMT 10 Feb 95

[Commentary by Nikolay Vardul, observer of the KOMMERSANT- DAILY newspaper]

[FBIS Translated Excerpt] A pay rise always brings joy. But this joy can only compare with disappointment, because now the budget fails even a surface check for its suitability as an anti-inflationary tool. But I will not blame the deputies for everything. The matter is that the government version of the budget assumes 45 percent inflation throughout the year. According to official reports, inflation constituted 17 percent in January alone. And strictly speaking, the State Duma has nothing to do with it. So, the deputies have completed the destruction of the budget begun by the government itself. [passage omitted]

What is the president going to do? Obviously, he will veto, of course, both the decision of the State Duma and that of the Federation Council. What will he be guided by? First—by the interests that Russia will pursue in its talks with the IMF, rather than by an electoral platform.

Why is that? Because according to unofficial reports presidential elections may not take place at all in 1996. They will not take place, more than likely. That is why the president, not burdened by election promises, is acting only in the interests of the executive.

Gaydar: Elections Should Be Held at Stipulated Times

LD1102161195 Moscow INTERFAX in English 1310 GMT 11 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 11 (Interfax)—Yegor Gaydar who leads the Democratic Choice party believes that parliamentary elections should be held at the time stipulated by the Constitution, that is next December.

"It is a duty of all sensible and responsible people to prevent the democrats from repeating the mistakes they made at the previous elections, when many hoped that they will be able to achieve much by working separately," he said in an exclusive interview with Interfax on Saturday [11 February].

In comments on the news media allegations that he agreed to form a coalition with the Yavlinskiy faction in the State Duma on its own conditions, Gaydar pointed out that the Russian Choice faction he leads and the Democratic Choice party urged the democratic forces to form a coalition long ago.

"Our stand was determined long ago, and no changes took place in it of late. We have long been willing to have a constructive conversation on forming a coalition, but it is not realistic to expect that we shall discuss ultimatums," Gaidar said.

Russian Choice has always had differences with the Yavlinskiy faction, which is in opposition to the president and government, Gaydar stressed. He added, however, that such "differences must not overshadow the essential things that link the democrats."

"The possibility of preserving free market and democracy in Russia and following the road of demilitarization is at stake now, and we (the Russian Choice and the Yavlinskiy factions) have similar attitudes to these issues. So we have a basis for cooperation," Gaydar said.

According to him, the attitude of the Russian Choice faction to the president depends only on the policy he follows, Gaydar said. "If the president returns to the course of common sense and begins to take steps designed to stabilize the situation in all areas of life in society—and I hope very much that he will—we'll determine our attitude to such a new policy. So far we do not support the policy pursued by the president, above all his policy toward the Republic of Chechnya, of course," Gaydar pointed out.

Rybkin: Immediate Debate on Yeltsin's Message Not Possible

LD1302154595 Moscow INTERFAX in English 1414 GMT 13 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 13 (Interfax)—The procedure for President Yeltsin's message to parliament on February 16, at the joint session of houses of the Federal Assembly, does not foresee its immediate debate. This statement was made on Monday for journalists by Russian Duma Chairman Ivan Rybkin.

He said that afterwards deputies "will discuss in factions the main theses of the president's statement," they will be given an opportunity at the Duma session Friday to have their say on the issue.

Rybkin also said that on Friday, in the Kremlin's Marble Hall, it is planned to hold an all-Russian conference on problems of self- government, in which he plans to speak.

'Sources' Report on Yeltsin Parliamentary Message

LD1302130295 Moscow INTERFAX in English 1119 GMT 13 Feb 95

[FBIS Transcribed Text] Moscow, Feb 13 (Interfax)—Russian President Boris Yeltsin will focus on the final text of his message to parliament this afternoon, sources in the president's entourage told Interfax. The text will be finalized by February 16.

The message is expected to confirm the invariability of the reform policy and dwell at length on remaining budget problems. The president will offer anti-inflation measures and "reject populist pushes for unsubstantiated budget spending items."

The president will concentrate on social aspects of reforms and criticize the government for non-payment of salaries and failure to settle the inter-plant payment problem.

According to well-informed sources, the message includes an improved concept on the taxation policy. The latter is designed to encourage production and toughen control over budget revenues.

The president will "offer a critical analysis of the military approach to a Chechen settlement" and comment on aspects of military reform.

There have been alterations in the interpretation of these issues over the past week. This primarily concerns the idea to separate the Russian Armed Forces' General Staff from the Defense Ministry, report military experts. They did not say what the final solution to this problem might be.

Military Issues

Gromov's New Job Seen as Way To Isolate Him From Politics

MK1402142695 Moscow KOMMERSANT-DAILY in Russian 14 Feb 95 p 1

[Report by Ilya Bulavinov: "The Diplomatic Front Has Developed a Need for Field Generals"]

[FBIS Translated Text] Boris Yeltsin yesterday appointed former Deputy Defense Minister Boris Gromov as Foreign Ministry chief military expert for special missions. The problem of the general's job placement, however, was resolved last month and now center stage is taken by the question of how serious Gromov's powers in the foreign policy department will be.

Pavel Grachev has always stressed that he has no disagreements with the Ministry of Foreign Affairs, while all documents bearing on foreign policy problems and originating with the Defense Ministry are subject to compulsory coordination with Andrey Kozyrev's department. The confidential nature of relations between the two ministers was also confirmed by the fact that Grachev has not just once "stood in" for the head of the Foreign Ministry at negotiations with foreign representatives, and even took on (true, not always with much success) matters pertaining to the jurisdiction of the Ministry of Foreign Affairs: for instance, the settlement of the Karabakh conflict.

The appointment of Grachev opponent Boris Gromov to the Ministry of Foreign Affairs does not at all mean that this was done to pique Grachev. Rather this has been based on a gentlemen's agreement between all sides concerned, because it would be too dangerous to leave one of Russia's most well known generals out of business. First, he knows too much; second, the probability of Gromov—who enjoys the support of internationalist-soldiers' veteran organizations—entering the political arena is too high, which would be very unwelcome to the authorities.

The appearance of the post of chief military expert in the Foreign Ministry should apparently mean that his staff will be processing those documents from the Defense Ministry that the military coordinates with the Ministry of Foreign Affairs. It is clear, however, that the antagonism between Grachev and Gromov is intractable now and it is highly likely that the fresh-minted military expert will lose no chance of spiting his former boss—for instance, in appraising a particular document originating from the Defense Ministry. Therefore, in order to avoid a sharpening of the situation, chances are that Gromov will not be authorized to handle such sensitive matters.

A possible sphere for applying Gromov's experience are shuttle trips abroad to resolve narrow specialized problems. As an anonymous representative of the Defense Ministry told INTERFAX yesterday, it is expected that apart from cooperation with the CIS, Gromov will oversee the implementation of international arms reduction treaties. In practice, however, the Defense Ministry will hardly cede its powers in this sphere to Gromov because there are several directorates in the ministry structure that deal with international cooperation. The most likely line of business for Gromov could be peacekeeping activity within the CIS, especially considering that with the resignation of Georgiy Kondratyev as deputy defense minister, peacekeeping in the Defense Ministry has been left without a chief. And this gives Gromov, who supervised cooperation within the CIS in the Defense Ministry, a chance to take the peacekeeper's helm.

So, the fate of three of the four suspended deputy defense ministers has been sealed. Matvey Burlakov and Georgiy Kondratyev, dismissed last week, will probably retire to a rest they deserve. Incidentally, the suppositions that with Burlakov's departure the positions of the so-called Western Group in the Defense Ministry leadership will weaken are hardly substantiated: Many former subordinates of the Western Group of Forces commander are gradually occupying high positions in the military department.

Of Grachev's disgraced deputies only Valeriy Mironov has not as yet been mentioned in Boris Yeltsin's edicts. As KOMMERSANT-DAILY reported in January, it is also planned to transfer him to the Ministry of Foreign Affairs, in all likelihood as an ambassador to a foreign country. The delay over Mironov's transfer from the Defense Ministry must be due to some purely bureaucratic procedure: the need to obtain approval by the Foreign Ministry Collegium, to receive agreement, and so forth. So, the ruling authority does not forget about its generals: Their preservation in the civil service is the best means of both controlling the activity of the "disgraced" ones and maintaining calm in the Army, where they enjoy considerable authority.

Foreign Ministry Initiated Gromov Move; Gromov Has 'Cold'

LD13021802 3 Moscow ITAR-TASS in English 1750 GMT 13 Feb 95

[By ITAR-TASS correspondent Andrey Urban]

[FBIS Transcribed Text] Moscow February 13 TASS—Russian Foreign Minister Andrey Kozyrev said on Monday that the assignment of General Boris Gromov to a job with the Foreign Ministry in the capacity of chief military expert had been initiated by the Foreign Ministry.

"I and (Russian defence minister) Pavel Grachev came to a conclusion that the Foreign Ministry needs an expert to maintain contacts between Russian diplomats and the Defence Ministry", Kozyrev told reporters today before his departure to Sweden on a working visit.

"It will be my pleasure to consult with such an experienced military commander" who has contributed greatly to the military re- integration of the Commonwealth of Independent States, the minister said.

A presidential decree appointing Deputy Defence Minister Colonel- General Boris Gromov to a new position of Foreign Ministry's "chief military expert at large" was signed earlier today.

Boris Yeltsin's press-secretary Vyacheslav Kostikov informed TASS that General Gromov would be assisted by a special staff established within the framework of the Foreign Ministry to ensure his successful work.

A representative of the Defence Ministry's information and press directorate, Vladimir Nikanorov, told TASS that "Boris Gromov is not listed among the defence minister's six full-time deputies".

He added however that "General Gromov will evidently retain the rank of deputy minister promised him by Defence Minister Pavel Grachev".

Gromov himself was unavailable for comments on Monday because, as his aide put it speaking to TASS, "the general got a bad cold on Friday and is still in bed with high temperature".

Gromov to Have 'His Own Staff' at Foreign Ministry

LD1302170395 Moscow INTERFAX in English 1606 GMT 13 Feb 95

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Moscow, Feb 13 (Interfax)—A decree assigning Deputy Russian Defence Minister Colonel-General Boris Gromov to the Russian Foreign Ministry was signed by President Boris Yeltsin today. Gromov becomes the chief military expert of the Ministry for special missions, says a report of presidential press secretary Vyacheslav Kostikov received by Interfax today.

The General will have "his own staff in the Foreign Ministry," says the report.

Boris Gromov is 51. He was the commander of the 40th Army in Afghanistan since 1987, was awarded the title of the Hero of the Soviet Union and supervised the Soviet troops withdrawal from Afghanistan.

Gromov was also the commander of the Kiev military district in 1989-90, First Deputy Interior Minister in 1990-91, First Deputy Commander-in-Chief of the Russian Army since December 1991. In June 1992 Gromov was nominated Deputy Russian Defence Minister.

Deputy Russian Defense Minister Colonel-General Boris Gromov has been assigned to the Russian Foreign Ministry to supervise military cooperation in the Commonwealth of Independent States, sources in Gromov's staff told Interfax on Monday commenting on his nomination to chief military expert under the Russian Foreign ministry.

Gromov will "also control fulfillment of international arms reduction treaties signed by leaders of the former Soviet Union and its successor, Russia," noted the source.

The General is now home with the flu. He is expected to start work by the end of the week.

The source says, Boris Gromov remains Deputy Russian Defence minister. "No one has dismissed him," the source told Interfax.

Navy Has No Evidence of Ammunition Dumping in Sea of Japan

LD1302191495 Moscow ITAR-TASS in English 1728 GMT 13 Feb 95

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Transcribed Text] Moscow February 13 (TASS)—The press centre of the Russian Navy has no formal evidence on dumping of 600 tonnes of written off ammunition in the Sea of Japan by the Russian Pacific Fleet, ITAR-TASS was told today. Informed insiders said the dumping of conventional ammunition at great depths confroms to international norms, and is ecologically safe.

A source in the Pacific Fleet's staff had earlier told ITAR-TASS that a transport ship, the "Vologda," was led on February 11 into an area of the Sea of Japan off the maritime coast for dumping a cargo of ammunition. It was said the dumping was planned to be at great depths and in a strictly guarded area.

According to the Pacific Fleet's senior spokesman, Captain Viktor Ryzhkov, this dumping method is generally accepted in the world, and the dumping area in question had been stipulated by several international agreements.

However, Aleksi Yablokov, chairman of the Russian Security Council's Intersectoral Environmental Safety Commission, said: "Any sea dumping of ammunition is an illegal practice which contradicts the Russian environment protection law."

ITAR-TASS was told by a deputy chief of the Environmental Safety Research Department of the Russian Environment Ministry, Viktor Kutsenkov, that no request for dumping 600 tonnes of ammunition was filed at the ministry by the Pacific Fleet.

ZAVTRA on Army as Threat to Yeltsin

954F1239A Moscow ZAVTRA in Russian No 2, Jan 95 p 1

[Article by S.E.Sh.: "Scoreboard"]

[FBIS Translated Text] The most outstanding feature of the MOR (military occupation regime) is its astonishing strategic obtuseness. The "bosses" of the MOR wanted against the background of a small, swift, victorious war in Chechnya to snatch from the opposition the patriotic slogans and, brandishing them, to ride into a new political period. Everything is happening the other way about.

The Chechen crisis has sharply exacerbated the entire situation in the country. The contradictions within and between the power institutions, between the bulk-purchase Yeltsin regime and society, and between the federal center and the regions have increased.

The Army has been exposed yet again: Its embitterment has reached the outer limits. There is a new divide within the Russian generals: aggrieved (headed by Gromov) principals (Podkolzin, Lebed), cautiously grumbling generals (headed by Kolesnikov), "October" generals (headed by Grachev). The most popular words among the troops in the field on the Chechen front: "We will be here another week or so, then on to Moscow."

Seventy percent of the population is opposed to the Chechen adventure. Ordinary people are yet again proving smarter than the Kremlin criminals: It is easy to get into a war, it is hard to get out of it. All right, they will take Groznyy, then a guerrilla war—for many months, years even, perhaps. You hear increasingly often in Moscow: "These scum, like during the 'Afghan,' are protecting their own children and grandchildren and 'boldly' sending ours to the slaughter to save what they have thieved...." It is said that wild animals, having tasted human flesh, cannot stop.

The Chechen crisis is increasingly stimulating a most acute struggle around Yeltsin. B.N.Y., as a classical oblast party committee schemer, is endeavoring to spur clashes between the court cliques, trying not to notice how the storm clouds are gathering over himself.

A new configuration of clans, prepared to grab one another by the throat, has taken shape at the very top in the past two months. The Korzhakov-Barsukov-Soskovets group has emerged in front at this time. It is this group that occupies the toughest positions in the Chechen crisis, and it is this group that is demanding that B.N.Y. be quicker in changing into a quasi-patriotic robe.

In the second echelon, two groupings are conducting a pitiless struggle against K-B-S. One of them is headed by Baturin (Satarov, Ryurikov, Kozyrev, and other so-called intellectuals), which is based on Gorbachev and the Gorbachevites (Shaposhnikov). The other bloc took shape quite recently as a result of a compromise being reached between the Chernomyrdin group and the Luzhkov-Gusinskiy Moscow group. Some analysts are predicting the formation in the very near future of a Chernomyrdin-Luzhkov-Baturin-Gusinskiy coalition. A sexual political orgy: Two pricks and two bitches!

In the third echelon are outsiders: the Rybkin-Kilkin group (it still contrived to get its V. Kovalev the post of minister of justice), Shumeyko (the unfortunate Shu-Shu: It is said that criminal proceedings have already been instituted against his former aide Samoylov, and Dima Yakubovskiy is "sinking" the half-done speaker in addition here), and radical democrats (Gaydar, Yakunin, Shabad, and sundry Galina Starovoytovas). All these are merely maggots on the cadaver, for that matter....

A wounded lion is dangerous: You can hear the antemortem howling of the jackals.

....The main threat today to the present MOR is the growing unmanageability of the Army (which could in a while present the Yeltsinoids with an ultimatum) and the position of the regions, which are on tenterhooks, waiting to see how the latest fit of dementia in the Moscow establishment will end. The results of the Cheboksary meeting indicate, for that matter, that the regions are beginning to slowly switch to the offensive.

General Exposes Venal Transcaucasus Military

MM1402094595 Moscow IZVESTIYA in Russian 11 Feb 95 p 3

[Report by Sergey Leskov accompanied by a transcript of a monologue by Major General V.P. Gladyshev, commander of the 12th Military Base, under the general headline "General Gladyshev Accuses. For the First Time a Russian Commander Divulges Facts of Corruption in the Army"]

[FBIS Translated Text] Batumi-Moscow—[Leskov] If you talk to a Military man it is best to do so somewhere on a test range, or at worst in the staff or barracks. In a civilian situation, a military man loses his fascination, like a seaman who has left ship. But it is impossible to find General Gladyshev in his division. When asked what has happened to their commander, the officers look away. No one is admitting that the general, who was considered the best division commander of the ground forces, has been removed from his post amid a scandal.

Ajaria is the only oasis of peace and civil accord in a Georgia wearied by endless wars. The leadership of the autonomous republic stresses that it is in many respects thanks to the tough stance occupied by the Russian military stationed in Ajaria that war has not reached this land. Meanwhile, from the geopolitical point of view, a military conflict in Ajaria would be considerably more dangerous than the clashes in other Caucasian regions. There are around 5 million Georgian Muslims living on the other side of the border, in Turkey, who would stand solidly behind their fellow Muslims.

But Batumi is uneasy at the moment. Two rallies have already been held by the Russian-speaking population. There are armed bodyguards posted at the building in the center of town where the base commander lives. The mysterious suicide of Major Zhdanov a week ago and the arrest of another two officers, one of whom is being accused of trading in arms, are adding to the tension.

I managed to meet with General Gladyshev in his apartment. As thin as a rake, nearly 1.9 m tall, the 41-year-old general has a kind of naturally reserved expression. It seems as though he is uncomfortable in living quarters full of formal furniture. There are not many books in the room, and a personal pistol is lying in between the cushions of the armchairs.

General Vladimir Gladyshev took on the 145th Motorized Rifle Division, later renamed as the 12th Military Base, less than two years ago. At that time the enlisted personnel numbered no more than 200 men. Officers were performing guard duty, and there were only 300 of them. The division was not battleworthy, and it was expected that it would be disbanded. I do not know how, no doubt this is a military secret, but within a year, General Gladyshev had transformed his unit. In 1994, the division was acknowledged as tne best in the ground forces, and one of its regiments—the best in the Russian Armed Forces.

It seems to me that General Gladyshev is one of the now rare breed of soldiers who scorn politics and disdain it, but who ardently worship their military duty, sometimes putting their foot in it because of this. During his service in Lithuania, this attitude evidently made Gladyshev publicly promise "to chain up Landsbergis." This was not very clever, and Gladyshev got into trouble because of it, but that is what his conscience as a soldier prompted him to do.

A total of 14 military camps and a large number of supply depots are under his command in Georgia. "I do not understand why other supply depots in the Transcaucasus are raided," the general said. "Mine are not raided. I do not want them to be and I make sure that they are not." At the slightest threat to the military camps, as soon as any of the numerous armed formations which roam about the roads in Georgia, approaches, Gladyshev immediately leads his units out of the barracks. Frequently thus violating the orders of the Group of Russian Forces in the Transcaucasus [GRFT] command to remain inactive.

General Gladyshev himself believes that his problem is that he does not know how to steal. "I am a paratrooper, and this is not accepted practice among us," he said, clenching his fists. He gave the commander of the GRFT a paratrooper's sleeping bag and a striped vest for his birthday. Others, he saw, were dragging around boxes containing television sets and refrigerators. He received a telephone call from Tbilisi ordering him to send several million rubles. How? By registering the theft of a KamAZ truck. Gladyshev: "Send the order that you are taking one of my KamAZ trucks, and steal it yourselves."

There was particular displeasure when he withdrew the 31st corps from Kutaisi. There were so many weapons in the supply depots that, as Gladyshev put it, you could have taken half of Turkey with them. But when the general arrived in the unit, 90 percent of it had been stolen. Gladyshev is openly saying that the GRFT top leadership is the culprit for the sale of Russian Army property. "You will not take anything out of here," he was told. "You've got the wrong man," Gladyshev answered, and arrived in Kutaisi with a tank company and a missile battalion. He listed the remaining army property and took it away under protection. Gladyshev calls this operation "a blow to the pockets" of his chiefs.

In Moscow I got in touch with Colonel General Vladimir Semenov, commander in chief of the ground forces. The commander in chief confirmed that the GRFT command has raised the question of removing the best commander from his post. Yes, Gladyshev could be found to have some faults. "But that is a pretext, we are looking at something else here," Colonel General V. Semenov said. "Thanks to Gladyshev's stance, Ajaria has not been dragged into the Georgian war. He has prevented gangs from getting onto this territory. Tbilisi can see this, and Commander Reut and some others do not like it. Gladyshev's stance sticks in their throats." A businessman I am acquainted with, who has connections with the Caucasus region, put forward his version: "I have heard this story. It is all mixed up with weapons trading. Gladyshev has depots full of weapons."

Major General Vladimir Gladyshev has been summoned to Moscow, where he is to talk to the defense minister. According to Colonel General V. Semenov, Gladyshev's dismissal would be a mistake.

Incidentally, when he was commander of a separate airborne assault battalion, Gladyshev met the man who was to become the minister of defense—in Afghanistan. We do not know how the audience in the office will end. Because behind the scenes in officialdom, the war is proceeding according to entirely different laws.

There follows a transcript of a monologue by General Gladyshev, which has been subjected to only minimum editorial abridgment.

[Gladyshev] On 27 December 1994, a group of officers from the division under my command was summoned to Tbilisi under my leadership to an operational assembly in the GRFT. On 28 December two hours after breakfast, I suddenly felt unwell, dizzy, nauseous, and I had a pain in my stomach. I was immediately escorted to the GRFT hospital. By the end of the day, I felt better and demanded to be discharged from the hospital, but I was given a categorical refusal. I was told that on the instructions of the GRFT commander, I should stay in hospital until 3 January 1995 for tests and treatment.

General Belchenko took away the keys from my office, apartment, and safe. Furthermore, my generals' uniform was removed, and my special messenger, Senior Lieutenant Mamuladze, had his Stechkin pistol taken away.

Over a period of four days, every two hours I was given injections and tablets whose purpose was completely unspecified. None of the medical staff from whom I tried to find out the name of the preparations could tell me or wanted to tell me what exact medication was being given to me. And only one medical staffer, whose name I cannot give for reasons of his own safety, whispered to me: "Comrade General, you are completely well, your tests are clear, and you do not need any medicine, so stop taking it." Evidently this well-wisher was right, because I felt weak, dizzy, and drowsy after every injection and every tablet. All this looked very strange, as in the past I never even used to get colds, never mind serious illnesses. It seemed to me that I was sleeping with my eyes open, that someone was standing next to me all the time and that I was constantly answering questions. Following the warning, I refused to take any kind of injections, drops, tablets, or food. As soon as I did this, my condition improved, and I felt like a normal person again.

While I was in the hospital, several times I tried to obtain permission to telephone my unit and my family. Each time the hospital authorities refused. Armed people wearing civilian clothes appeared in the corridors of the hospital near the telephones, as well as around my ward. These were staffers of the Georgian security service.

With Igor Georgadze's arrival in the leadership of the Georgian Security Service, everything was turned upside down in the GRFT. It is Georgadze who is the inspiration behind a lot of totally reckless operations. I used to know him well, and in the past he frequently made attempts to captivate me with his ideas. He would propose various shady ideas, for example, during my last visit—to attack Gamsakhurdia's formations. I would categorically refuse, saying that the Russian Army would not interfere in Georgia's internal affairs, that our task is to protect Russia's state border and interests in this region. I am sure that he has found a kindred spirit in the person of the commander and evidently he will show off to him like he did to me at one time that he has the support of the Russian Federal Counterintelligence Service and its leader personally, as well as close acquaintance with the leadership of the guard and security services and the entourage of the Russian president.

The attacks 26 October 1993 on the Russian border post in Anakliya can be attributed specifically to such "cooperation." At first, the border guards were attacked from the air by Su-25 combat aircraft, firing rockets and machineguns, and then a landing force of around 50 fighters disembarked from two helicopters directly over the post, on the coast. And all this would have been normal for wartime (at that time there was fighting going on between the Gamsakhurdia's supporters and Shevardnadze's supporters), if it had not been for one detail: The helicopters which had disembarked the landing party, and the fighters shielding them during the debarkation, were from the 35th regiment of Russian troops stationed in Kutaisi, and, naturally, they were also subordinate to the GRFT. The landing party itself consisted of special purpose forces under Igor Georgadze, who at that time was Georgian deputy internal affairs minister and had a detachment of fighters specially trained for such purposes in his command. There were casualties in this battle—six dead on the side of the attackers and two wounded on the side of the border guards. I have a video tape where you can see the results of this unprecedented attack. In a word, the Russians, not without help from their own generals, were drawn into a hazardous venture in which they were being used to fight against their own men. And all that is just one small piece in the big web which Igor Georgadze—who now intends to become the top figure in Georgia, and Shevardnadze's successor—is spinning. In the Transcaucasus, everyone knows about the attack on "Russians by Russians" in the village of Anakliya, but Russia and its public do not know about it. A "mistake" or "confusion" can be ruled out, since the Russian flag was flying on the tower of the border post, and the Russian border guards were holding another, even bigger flag, in their outstretched hands during the entire battle, which lasted for one-and-a-half hours.

For that fact alone, Colonel General Reut has no right, never mind to command a group of forces, but even to call himself a Russian officer. And let the amount of weapons transferred and sold with his knowledge be on his conscience. It is enough to take an inventory of the weapons in the GRFT for everything to become clear. It was not without reason that the candidacy of General Nadibaidze, former weapons supplier to Kitovani's detachments, to the post of Georgian defense minister was put forward. It would have been impossible to think of a better candidate for joint machinations and ventures. It was after this appointment that Nadibaidze, who arrived in Ajaria together with Reut, shouted drunkenly "I am Grachev." Not only I, but all the officials heard this.

General Reut constantly demanded that I report to him my personal conversations with the commander in chief of the ground forces, the Russian defense minister, and other high-ranking guests arriving from Russia. He maintained that I should be his eyes and ears in Ajaria, and that I should track every step taken and every word uttered by the leadership of the autonomous republic. I was forbidden to meet Zemskiy, Russian ambassador extraordinary and plenipotentiary to Georgia, at the airport.

If I did all of this, I was promised that I would be transferred to Moscow with Reut to an important post. Whom he intended to replace in Moscow—I can only guess. Reut asked me to obtain the motor launch Aist, being made at a ship-building plant, to present to a high-ranking official at the Russian Ministry of Defense. Several attempts were made to "remove" me to the General Staff Academy in Moscow, and each time I refused, knowing that I was laying myself open to anger. I refused not because I did not want to study, but because my fellows and I had managed to achieve a great deal in the time we had spent in this region.

Deputy Commanders Lieutenant General Labutin and Major General Kovalenko came to see me in hospital, and they evidently knew more than I did. They laughed at me and stated that I would not be allowed out of hospital before 3-4 January. The doctors did not know this, but the generals, far removed from medicine, knew it... Every person who dropped into my ward was able to notice the "constructive features" of the premises. This was the only ward in the hospital without blinds or curtains at the windows, and the only one to be entirely surrounded by a balcony in the form of a terrace. The bed was moved almost completely up to the wall on the balcony side, the door of the ward had no lock, and so on. That is, it would have presented no difficulty at all to shoot me with any type of silent weapon or the Stechkin taken from my special messenger. And the next day it would have been announced that Division Commander General Gladyshev, intoxicated by drugs, had shot himself.

My special messenger and I started to look for different ways of informing at least my family of my whereabouts. We were able to find a person in the hospital who carried out his promise. Colonel Galkin and my wife flew in to see me. Having put on my general's uniform, I resolutely went out into the corridor. I was prepared to force my way into the airport or the Russian embassy. I do not need to learn how to do this, I am a paratrooper, and I fought in Afghanistan. If they start shooting, I thought, let them kill a Russian general in everyone's sight, at least this is far more worthy than a shameful report about the suicide of a combat officer in a hospital "cell." I think that the suddenness and the generals' uniform played a deciding role in my successful escape. Having quickly gotten into the car, in 15 minutes, my wife, my special messenger, Colonel Galkin, and I found ourselves at Tbilisi Airport, where a Tu-134 airplane was waiting for us.

In Batumi I found that out some telegrams had arrived from the GRFT which indicated that I was being given leave for an indefinite period in 1995. Such actions on the part of the GRFT are unlawful, since I, as an internationalist serviceman who has fought in Afghanistan, have the right by law to choose the time I take leave myself. Furthermore, it was not Reut and his "team" who appointed me to the post of division commander, but the Russian president, on the recommendation of the minister of defense. And no one had the right to remove me, in whatever form, without their knowledge. I found out that a recommendation to appoint Colonel Kravchenko, who, of all the officers, least deserves to be commander of the 12th Military Base, has already been sent to the GRFT. This is the man who forced his subordinates to sell Russian citizenship for dollars. In the time I was on leave alone, he took on around 400 non-Russian citizens for work, and $400 was exacted from each one for officially registering Russian citizenship. At present, as far as I am aware, the question of selling Russian citizenship is being examined by the prosecutor's office.

Having analyzed what has happened to me, I have come to the conclusion that Colonel General Reut, commander of the GRFT, timed his action to coincide with the events in Chechnya: During that period, no one in Moscow would have any dealings with me. If Russian policy in Chechnya failed, then the question of the replacement of the Russian Defense Ministry leadership would come up, and people would come to power to whom my fate would be a matter of indifference (maybe those to whom he intended to give the motor launch).

I am sure that what has happened to me is an exceptional case which has no counterpart in the history of the Russian Army in the past 30-40 years. Everything that I have said, every assumption and word, have been reflected on dozens of times, correspond to the truth, and are backed by the appropriate evidence. As a Russian citizen, I will provide this evidence to people who are motivated by Russia's state interest.

Technology To Neutralize Chemical Weapons Under Development

LD1202180595 Moscow Radiostantsiya Ekho Moskvy in Russian 1300 GMT 12 Feb 95

[Passages within quotation marks recorded]

[FBIS Translated Text] In 1995, the Defense Ministry's radiation, chemical, and biological protection troops are to start developing technology for destroying Russia's chemical weapons. In January 1993 Russia signed a convention banning this type of weapon, but the Federal Assembly has not yet ratified the document. Yevgeniya Novikova tells the story:

[Novikova] Neutralization and burning are the main stages of treating nerve paralyzing gases. But the Russian military are trying to get rid of the burning stage, claiming that it is dangerous, Stanislav Petrov, the head of chemical protection troops, said:

[Petrov] "We are now working on a method—and are close to finalizing it—of bituminous grouting of radioactive material. You add special ingredients that make liquid radioactive material hard. It is molded in special apparatus and then buried."

[Novikova] Also, Russia and the United States are jointly working on new technology: Neutralization according to the Russian plan and burning according to the American plan.

[Petrov] "Reserves of blister gas—mustard gas and Lewisite—have to be destroyed regardless of whether the convention is ratified or not, the latter is Russia's internal affair. The storage of such large amounts of poisonous substances is unacceptable."

[Novikova] The chemical weapons experts are trying to pinpoint the places where chemical weapons have been stored in the past on Russian territory. The Defense Ministry does not have access to the Security Ministry's archives.

[Petrov] "What has it got to do with them? That is the attitude."

After Chechnya, Army 'Reforms' Seen Regressing

MM1302101995 Moscow ROSSIYSKIYE VESTI in Russian 11 Feb 95 Saturday Edition p 2

[Article by Andrey Vladimirov: "Political Backlash Could Start With Counterreform in Army"]

[FBIS Translated Text] The so-called military reform, like many other ventures in Russia, has taken the directly opposite path to the one it should have. Encouraged by the Chechen war, the military department no longer attempts to conceal its hypertrophied appetites. The Defense Ministry Press Service is increasingly shutting itself off and answers all questions with the standard reply: "Not possible." The varied interests of that section of the professional military belonging to the far from mythical party of war are pushing the military leadership and the military-industrial complex leadership toward increasingly active intervention in all spheres, ranging from the military sphere proper to the budget sphere.

Military industrialists are objectively interested in the state's militarization—the military order will enable them to exist comfortably and will eliminate any need for conversion programs, which are currently being implemented extremely sluggishly. The present Defense Ministry leadership is ready to carry out a reform of the

Army—but a reform "back to front." Why? Because a normal army reform "has not happened."

In the present conditions reforming the Army in the reverse direction is tantamount to reorienting the economy to a socialist path of development. It is, of course, possible to do both, but this will require far greater expenditure than semireforms in such specific spheres of the state's vital activity.

Abolishing the Army draft deferment for students means depriving Russia's economy of good, skilled specialists. Extending the term of service to three years means depriving a large part of the country's young generation of a normal life. Today, I hope, it is no longer necessary to explain to anyone what service in the Army is like or what physical and mental losses it sometimes entails for a young person.

The military monster demands new supplies of cannon fodder. Such a reform of the Army means only an increase in the "tonnage" of this actual "fodder," inordinate budget expenditure on maintaining the cumbersome war machine, and the reproduction of more and more new Afghanistans. A side effect of this kind of military policy is a further conversion of Russia into a militarized state and the return of its image as a vast, closed, snowy country populated exclusively by military men and bears. A political backlash in the choice of national priorities and, if we call things by their proper names, in the fate of Russia could start precisely with a counterreform in the Army. A military counterreform is capable of burying both the economic reform and all the gains of democracy without exception during recent years.

The talk of these virtually Stalinist "transformations" in the principles of forming the Armed Forces is a reflection of the military failure in Chechnya. When something does not come off, it is necessary to find the guilty persons and undertake a pseudoreform based on "conclusions" from the Chechen operation.

The conclusions have been drawn. But they are plainly the wrong ones. They run counter to common sense and to military logic proper.

Smolensk Nuclear Plant Cuts Output Due to Lack of Funds

LD1302144595 Moscow ITAR-TASS in English 1409 GMT 13 Feb 95

[By ITAR-TASS Correspondent Veronika Romanenkova]

[FBIS Transcribed Text] Moscow February 13—For the next month the Smolensk Nuclear Power Station will be working to half capacity. The 80 fuel batteries supplied to the station will be enough for this. The station has no funds to purchase more fuel, ITAR-TASS learned from the Russian nuclear energy concern Rosenergoatom.

Nuclear power, which used to be among the most prosperous economically, has been experiencing a financial crisis for two years now. The debt of consumers to the nuclear power plants now amounts to 1,900 billion roubles. Only 23 per cent of the cost of the supplied energy was received from consumers in January. In their turn, nuclear power plants owe 1,500 billion roubles to related industries.

Experts believe that the stoppage of the Smolensk Nuclear Power Plant will not solve the problem. If the station ceases to generate energy, it will turn into an energy consumer. In addition, it will be necessary to put into operation new facilities to continue supplying energy and heating to the region in the same volume. It should be noted that 120 railway cars of coal a day is required by a thermal power station to generate the same volume of energy as one nuclear power plant with a capacity of 1,000 megawatt.

Federal Assembly

Yeltsin Aide Dismisses Duma 'Presidential Faction' Reports

LD1402123295 Moscow ITAR-TASS in English 1205 GMT 14 Feb 95

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Transcribed Text] Moscow February 14 TASS—Russian president's assistant Georgiy Satarov on Tuesday dismissed as "a political speculation" reports in the press that a "presidential faction" is being formed in the State Duma on the initiative of Boris Yeltsin's associates. In an interview to ITAR-TASS, Satarov only confirmed the fact that last weekend deputies of several factions of the State Duma invited presidential assistants to the holiday hotel "Desna" near Moscow to hold consultations about aims of a new structure of deputies being formed. The new structure is intended to be set up by members of the recently dissolved group "The December 12 Liberal Democratic Union", and by the factions new regional policy, Russia's Choice, the Democratic Party of Russia and independent deputies.

Rearrangement of forces is natural in conditions when deputies are severing old links and forming new ones, also because of the Chechen crisis. Many deputies are dissatisfied with the attitudes of their factions, and some do not visualise their political future, Satarov believes.

The presidential assistant noted that the presidential administration is ready to cooperate with all factions, the more so with those that are loyal to the executive authorities.

As to the reasons behind quite negative pronouncements about Boris Yeltsin's associates in connection with their attempts at interaction with deputies, Satarov said that "a group of commercial banks seeking to 'buy' its own faction in the Duma apparently decided to blame its own futile attempt on presidential assistants".

Duma Deputy Denies Involvement in Anti-Yeltsin Groups

LD1102161895 Moscow ITAR-TASS in English 1519 GMT 11 Feb 95

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Transcribed Text] Moscow February 11 TASS—Konstantin Zatulin, chairman of the State Duma committee for affairs of the Commonwealth and relations with compatriots, refuted today press reports claiming the availability of anti-Yeltsin groups to involve General Aleksandr Lebed, Duma deputies Konstantin Zatulin and Sergey Glazyev and leader of the federation of manufacturers Yuriy Skokov.

As for hints about political relations between General Lebed and deputy Zatulin, the latter stressed "my official November trip to the trans-Dniester region has been no secret".

In the words of Zatulin, both General Lebed and him are concerned over the fate of the 14th Army which, in their opinion, "is the guarantee of peace and tranquility of the trans-Dniester region".

Zatulin believes there have been attempts to "quietly withdraw Russian military from the region. I think that this decision is dangerous for both the trans-Dniester region, Moldova and Russia".

Duma Finalizes Election Law, Braces for Yeltsin's Rejection

MK1402105095 Moscow KOMMERSANT-DAILY in Russian 14 Feb 95 p 2

[Report by Olga Tarasova under the "State Duma on Elections" rubric: "President and Deputies Differ on Proportions"]

[FBIS Translated Text] There is not much time to go before the next election marathon, but laws regulating presidential and parliamentary elections are still lacking—they have only been passed in first reading. Nor is there a law on referendums. Yesterday, the State Duma's Legislation Committee meeting considered the state of readiness of the draft law on elections for the Federal Assembly's lower chamber. It was not by chance that particular attention was paid precisely to this draft: many deputies fear that if the State Duma is dissolved (which is still possible, although very improbable), elections might once again be held according to rules set by the president.

Passing the law, which, by the way, was sponsored by Boris Yeltsin as his legislative initiative, would be a very hard task. The president and the State Duma differ on the main point—the procedure for forming the chamber. Yeltsin proposed that 300 deputies be elected in single-seat districts and 150 on party tickets, in the belief that a Duma formed in this fashion would be more amorphous politically and, therefore, more amenable to control. But the deputies, passing the draft law in first reading, made substantial amendments to it: proportions will remain unchanged—225 deputies from districts and the same number from the parties. In committee members' view, under the presidential proportions the parties will have to compete on an uneven playing field. For instance, the communists, unlike others, have long-time experience of campaigning precisely in single-seat districts.

Nor did the president manage to push through his idea that one and the same candidate may not run in a district and on a party ticket at the same time. Yesterday's meeting, on the contrary, not only called for the previous elections' pattern to remain unchanged, but proposed that a provision be added to the law allowing parties, among other things, to nominate and support their own, technically independent candidates in single-seat districts.

Certain deputies' initiatives were not supported by members of the Legislation Committee either. They deemed a provision whereby electoral districts are to be approved by the Duma to be at odds with existing legislation—under the law, this is the prerogative of the Central Electoral Commission. The idea by Konstantin Zatulin, chairman of the CIS Affairs Committee, of setting up one single-seat district in the near abroad was also rejected. It was decided to retain the former procedure where Russian citizens living abroad voted in diplomatic missions.

The committee ruled that the draft, prepared for the second reading, should be submitted for consideration not later than next week. It should be noted, however, that although the State Duma is likely to pass the draft, the Federation Council and, most importantly, the president, will scarcely agree with it. Yeltsin, at least, expressed his dissatisfaction right after the deputies rejected his proposal for forming the lower chamber.

State Duma Passes Resolution on Mass Media

LD1002210595 Moscow INTERFAX in English 1808 GMT 10 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 10 (Interfax)—The State Duma has called on the Russian president and government to take measures to prevent monopolization of the mass media by the executive branch of power and individual "financial and political groups."

The resolution was passed by the lower house of the Russian parliament Friday.

According to the document, citizens' right "to freely seek, obtain, transfer, produce and disseminate information by any legal means" is "weakly reinforced with legal and organizational mechanisms" capable of guaranteeing its implementation.

The State Duma was concerned over a restricted access of its deputies to the airtime, i.e. to the maximum auditorium of electors.

The State Duma committee for information policy and communications was instructed to develop a package of draft laws to widen journalists' rights in obtaining information, demonopolization and economic protection of the media and gradual replacing administrative with public monitoring of their activities.

The head of the State Duma press office, Viktor Cheremukhin, said that a full-cycle television studio in the parliamentary building would be equipped by March 31, if $2.5 million were paid in the settlement of the two last contracts. However, he proposed the State Duma correspondingly legislate to legitimize its right to broadcast television programs prepared by the parliamentary studio.

State Duma Chairman Ivan Rybkin told the deputies that the studio cost one sixth of the house's annual budget, 178 billion rubles in all.

Agrarian Party Deputies Appeal to Yeltsin, Chernomyrdin

MM1402114995 Moscow SELSKAYA ZHIZN in Russian 14 Feb 95 p 1

[Appeal from State Duma deputies who are members of the Agrarian Party of Russia faction: "New Partition of Countryside Is Being Undertaken; At Least Allow Us To Carry Out Sowing"]

[FBIS Translated Text] To Russian Federation President B.N. Yeltsin

To V.S. Chernomyrdin, chairman of the Russian Federation Government

The situation in the agro-industrial complex is now causing serious alarm not only among rural workers but also among the country's entire population. In recent months dairy products, animal fat and vegetable oil, and meat have disappeared from the stores of many regions and there has been a considerable increase in prices for all foods. Moscow and many other industrial centers are existing mainly on imported food.

The Agrarian Party deputies warned you that times like these were coming back in August last year at the all-Russian rural rally. But the rally's decisions and suggestions remained unheeded and unexamined.

Rural commodity producers are in confusion and the countryside is not ready for the spring sowing. Fuel is not being brought in, fertilizers and plant protection agents are totally lacking, less than half the equipment has been prepared. The mass slaughter of livestock is continuing and its productivity is declining. The majority of farms, as a result of the present economic policy, have found themselves bankrupt and do not have the funds to perform all the necessary work.

And at this already perturbing time the government is adopting the decree "on the procedure for implementing the rights of owners of land shares and property shares." This decree recommends that a new epic be begun to reorganize agricultural enterprises. Doors are being opened for the uncontrolled selling off of land.

We want to state most emphatically that the implementation of these decisions will inevitably lead to a further drastic decline in agricultural production, the total destruction of the countryside, and the loss of our country's food independence.

This decision of the government is being made at a time when the preparation of the Russian Federation Land Code is ending in the State Duma.

We appeal to you—halt the operation of this decree, immediately resolve the countryside's urgent financial questions, and give peasants the opportunity to carry out the spring sowing and complete the livestock's wintering.

[signed] Deputies of the Agrarian Party of Russia faction, 10 February 1995.

Economic Issues

Yasin Rules Out Price Freezing to Fight Inflation

LD1402105895 Moscow ITAR-TASS in English 1028 GMT 14 Feb 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Transcribed Text] Moscow February 14 TASS—The problem of non-payment cannot be resolved without curbing inflation first, Economy Minister Yevgeniy Yasin today told the State Duma's parliamentary hearings on inflation and ways of stabilising prices in 1995.

Yasin called for a tougher economic policy but said price freezing was no good in fighting inflation. "I do not think that we shall be able to overcome inflation completely, but it is realistic to try and reduce it from 300 to 30 percent per annum," he said.

Only if this measure succeeds, will investments in the economy begin to grow, Yasin said. "Russia has entered a phase of shrinking production, and it can only pull out of it by overcoming inflation difficulties," he stressed.

Yasin expressed concern about the situation in the agroindustrial sector and the fuel industry, primarily in the oil sector. He said Russia was no longer able to turn out competitive products as its present production capacities were hopelessly obsolete.

"This is yet another reason why Russia should strain to curb inflation and create preconditions for an increased inflow of investments in its industries," Yasin said.

Economic Security Strategy Outlined

MM0902124595 Moscow ROSSIYSKIYE VESTI in Russian 7 Feb 95 p 2

[Article by Candidate of Economic Sciences Andrey Zverev, leader of the Russian Federation Government Economic Policy Department and chairman of the Russian Federation Security Council Interdepartmental Commission for Economic Security: "Russia's Economic Security Strategy"]

[FBIS Translated Text] The basic provisions of state strategy in the sphere of ensuring economic security were adopted recently at a session of the Russian Federation Security Council Interdepartmental Commission. What is the content of that document?

Economic security can be perceived as the economy's capability and readiness to provide fitting conditions for the life and development of the individual, to ensure the socioeconomic and military-political stability of society and the state, and to counter the influence of internal and external threats.

The implementation of the economic security strategy is to ensure the material conditions necessary to protect the vital interests of the country and allow Russia in the long term to actively influence processes in the world which affect its interests and to solve domestic political, economic, and social tasks on the basis of national interests while preventing any pressure from foreign powers in this process; to ensure the population a quality of life which guarantees social peace in the the country and tranquility in society.

During the transitional period the Russian Federation's state strategy of economic security must be geared chiefly toward ensuring the economy's capacity for progressive development and sustaining the requisite level of production, scientific, and technical potential for this.

Given that the country's economic system is a complex hierarchical structure, economic relations at various levels function as components of its economic security:

- The level of the family and the individual represents the economic intererests of every citizen of the country;
- The microeconomic level is represented by the agents of the market;
- The regional and sector level is represented by the economies of the components of the Federation and of the sectors;
- The macroeconomic level is represented by the country's economy as a whole.

At present the interests of the individual, society, and the state predetermine the need to continue economic reforms.

What now threatens the country's economic security, then?

Internal threats:

- The inherited structural deformation of the economy;
- The poor competitiveness of enterprises, caused by the backwardness of the technological base of the majority of enterprises, the high consumption of energy and resources, the poor quality of goods, and the high production costs;
- The continuing slump in production;
- The high level of monopolization of the economy, which is reflected in the growth of prices, the lack of scrupulousness in carrying out the terms of contracts, and the absence of incentives to improve production;
- The high level of inflation and the consequent exacerbation of social problems, low investment activity, and the predominance of capital investment in brokerage and financial activity to the detriment of production activity;
- The dangerous, worn-out state of communication systems;
- The underdevelopment and unreliability of infrastructure facilities;
- The low level of nature conservation activity and environmental safety;
- The gap between the growth in known mineral reserves and the scale of their exploitation;
- The deteriorating state of scientific and technical potential, our loss of position in certain areas of scientific and technical development, and the loss of prestige suffered by intellectual work;
- The increasing stratification of the population in terms of wealth, the restriction of disadvantaged people's access to the system of health care, education, and culture, and the consequent deterioration of the population's physical and mental health;
- The increasing territorial differentiation of the level of economic and social development of the regions, the critical state of the northern territories, and the breach of normal economic relations between the center and the components of the Federation;
- The spread of crime within the economy, the growth of corruption and organized crime, and its penetration of key sectors of the Russian economy;
- The weakness of the institutions of power, leading in conjunction with the deficiencies of the legislative basis to poor legal, financial, and contractual discipline, large-scale concealment of revenue, and tax evasion;
- The lack of appropriate legislation and an appropriate judicial system and the delay and lag in setting up the most important institutions of the market economy;
- The deficiencies of the economic policymaking mechanism (the high level of influence of regional and sector lobbies on economic decisionmaking;
- The lack of consistency and lack of coordination of action by the central economic departments).

External threats:

- The prevailing preponderance of raw materials in

Russian exports and the loss of traditional markets for the sale of military hardware and machine building products;
- Russia's dependence on the import of many kinds of goods, including those of strategic importance, foodstuffs, and components for machine building;
- The discriminatory measures of foreign countries or their communities in foreign economic relations with Russia;
- The high level of external debt and the increasing attempts to use it to influence economic and political decisionmaking;
- The inadequate export and currency control and the lack of provision of customs facilities along the border;
- The undeveloped nature of the transport infrastructure for export and import operations;
- During the transitional period the state is implementing a range of measures to overcome the economic crisis, which guarantees the country's economic security.

The implementation of structural policy proceeds at two levels. The macroeconomic level involves solving the tasks of creating an investment climate which facilitates the conversion of savings into investments, ensuring the transfer of financial and production resources from unviable enterprises and stagnating sectors to efficient producers of goods and to growth sectors, stimulating exports and their diversification, and regulating imports for the purpose of protecting home producers within the framework of generally accepted procedures.

The microeconomic level involves solving the tasks of supporting economically efficient enterprises, eliminating or reorganizing inefficient economic structures, and organizing a conciliation process with the aim of slowing down the growth of prices.

During this work it is important to determine the economic units in which a controlling block of shares or "golden" share is retained by the state in order to exert influence on decisions made by the units for the purpose of ensuring economic security.

The social policy pursued by the state must promote the improvement of the population's living conditions.

The certain positive change observed in the growth of the population's average monthly monetary income in the last two years has taken place against the background of considerably increasing differentiation in the incomes of different sociodemographic groups of the population. The process of stratification of society into rich and poor is proceeding at a fast pace, which creates a potential threat of social conflicts.

The implementation of economic policy must be accompanied by an equal and fair distribution of the burden of the crisis period among the various social groups of the population rather than by a deepening of the polarization of society.

In these conditions it is essential to create an effective mechanism aimed at regulating the growth of the incomes of economically powerful groups.

It is essential to restore the basic function of wages as an incentive to highly productive labor and a means of easing social tension in society and to enhance the role of the state in resolving those questions. For this it is necessary to adopt laws on the minimum standard of living—the basis for social safeguards—and on wage regulation.

In order to sustain and develop scientific and technical potential which safeguards Russia's strategic interests and scientific and technical independence it is necessary:

- To determine the priorities of state scientific and technical policy;
- To ensure selective state support for leading Russian scientific centers;
- To elaborate state programs for the most promising areas of fundamental research which is most important for securing the country's scientific and technical independence;
- To create a favorable, innovative climate in the economy by using various forms of state incentives to promote the spread of advanced technologies and protect home producers of science-intensive competitive goods.

The formation of a favorable environment which helps increase investment activity and attract domestic and foreign private investment for the reconstruction of the Russian economy must be the main area of investment policy during the transitional period. At the same time it is necessary to draw up a list of production units which are "open" to foreign investments from the national security standpoint.

In the field of credit and monetary relations it is essential to ensure the ruble's stability:

- A reliable system of settlements and cash services must be organized, including technical protection for banking telecommunications against unauthorized access and the halting of attempts by criminal elements to introduce fictitious banking documents into monetary circulation;
- A reduction in the size of the Russian Federation's official gold and currency reserves must be prevented.

In the field of regional policy it is important to overcome the separatist trends occurring in a number of regions, for which a strategy of the rational combination of the interests of the state and regions must be developed.

It is essential to carry out a systematic and scientifically justified categorization of territories according to their level of socioeconomic development and to elaborate and implement a number of federal programs for the support of the regions with particularly complex economic conditions and a low living standard among the population (depressed regions) in order to prevent social eruptions and to galvanize these regions' own sources of development.

In the field of foreign economic activity it is necessary to preserve and in a number of cases to step up specific levers of state control since disproportions still remain between domestic and world prices for basic energy carriers and some raw material goods. At the same time we must continue the course toward the liberalization of foreign trade while observing Russia's economic interests. Ways of resolving this task are:

- To develop export potential and primarily through the expansion of the production of machinery, equipment, and other high-technology goods;
- To pursue a policy of sensible protectionism with regard to Russian producers who are not monopolists on the domestic market;
- To ensure the most favorable terms for Russia for extinguishing its foreign debts and servicing them;
- To step up export control over strategically important goods.

In the field of relations with CIS countries it is expedient to activate the process of creating an economic alliance with them. It is essential to retain access to the huge and unique raw material resources which the CIS countries possess and around which a competitive struggle is developing and becoming more acute with the countries of the West and East.

To pursue an independent economic policy it is essential to ascertain precisely the state of our own mineral and raw material base and to reassess deposits under market conditions. Although Russia even today has a big mineral and raw material potential, a number of mineral and raw material complexes whose use is effective (for chrome, manganese, titanium, copper, lead, zinc, mercury, antimony, uranium, tungsten, rare metals, raw material for the production of phosphate fertilizers, and so forth) have remained outside Russian territory.

To ensure sufficient state strategic resources it is essential primarily to determine clearly state mineral and raw material policy aimed at encouraging investments in the prospecting for and industrial development of mineral deposits ensuring the Russian Federation's general national interests.

In the field of the struggle against economic crime it is essential at federal and regional levels to take steps ensuring primarily the deflection of threats of state crime damaging the Russian Federation's constitutional system, the social stability of society, the state's economic might, the country's defense capability, and the state's interests in foreign economic activity.

To ensure Russia's economic security it is necessary above all o consolidate state power, increase trust in its institutions, and also to rationalize the mechanisms for developing decisions and forming economic policy. For its part an inalienable element of economic security is economic (financial, material, and cadres) backup for the state's power and social regulating function.

Export Duties for Oil Exports To Be Cancelled in Russia

LD1302202295 Moscow INTERFAX in English 1734 GMT 13 Feb 95

[FBIS Transcribed Text] Moscow, Feb 13 (Interfax)—Export duties and the status of a special oil exporter will be cancelled in Russia by January 1, 1996. The statement was made on Monday in an interview with Interfax, by Deputy Russian Prime Minister, Minister for Foreign-Economic Relations Oleg Davydov.

On Tuesday he leaves for London where he will represent the Union of Russia's Oil Exporters (SONEK in Russian) at the International Oil Week.

Davydov, who is SONEK chairman, spoke in favor of the lifting of all administrative levers regulating oil exports. He believes the Union of Oil Exporters founded last year "is able to organize exports of this valuable Russian products abroad in the interests of the national economy and with no detriment to the domestic market."

Members of SONEK, which, according to Davydov, may be joined by all companies and organizations, which are associated with the oil industry and its financing, "may pursue a coordinated price policy at external markets to prevent hard currency losses during striking deals, as it was the case earlier during competition."

He said that Russia intends to boost volumes and efficiency of oil exports, despite the fall of its extraction over the past few years. Last year, according to the Ministry's figures, oil exports to Western countries stood at 89 million tonnes (growth by 11.3%), oil products—39 million tonnes (growth by 10.6%).

Fuel, Energy Complex Needs Extra 5 Trillion Rubles

LD1002181495 Moscow ITAR-TASS in English 1655 GMT 10 Feb 95

[By ITAR-TASS correspondent Igor Ivantsov]

[FBIS Transcribed Text] Moscow February 10 TASS—"To function stably in 1995, Russia's fuel and energy complex needs additional financing of 5 trillion roubles from extra-budgetary funds", Russia's Fuel and Energy Minister Yuriy Shafranik told the ministry's collegium on Friday.

The fuel and energy complex badly needs support from the state, the minister noted. According to him, the government should back the set of initiatives moved by the Fuel and Energy Ministry on how this financing can be obtained from various sources.

To maintain a stable balance in the fuel and energy complex, the state also should assist the complex with solving some other key issues, Shafranik emphasised. In particular, the government should ensure the allocation of the required budget funds for the coal industry. It is also necessary to consider the ministry's request for 1.5 trillion roubles to be used in the construction of facilities in the framework of the "fuel and energy" federal programme, the minister said.

Furthermore, the customs tariff of 23 ECU [European currency unit] set by the government's recent regulation to liberalize oil exports should be lowered to 15 ECU, which is to encourage Russian oil producers to increase exports, Shafranik added.

Influence of Chechen Mafia Viewed

954F1268A Moscow IZVESTIYA in Russian 8 Feb 95 p 4

[Article by political scientists Emil Pain and Arkadiy Popov, second in a series on Chechnya under the general heading, "The Russian Policy in Chechnya: How It Was Conceived, How It Led to War, and What Repercussions It Will Have Tomorrow": "A Criminal Regime"]

[FBIS Translated Text] For almost all of 1992, Moscow tried not to speak of Chechnya, as if it did not exist. This policy is somewhat reminiscent of China's attitude toward Taiwan: "You consider yourself an independent state, whereas we do not recognize you and will not allow others to do so, but we will not touch you." But if Taiwan, having left the wardship of its mother country, succeeded in building an effective economy and transforming itself in time into a relatively prosperous "tiger," something totally different has happened with the "independent" Chechnya. And first of all because this "independence" has turned out to be of a completely specific kind, bearing no resemblance to anything else, like almost everything that takes place in post-Soviet Russia.

The Chechen-Ingush Republic always occupied one of the last places in the Russian Federation in terms of its level of socioeconomic development. Almost 90 percent of the revenue part of the budget was covered by federal appropriations, and as soon as that channel was blocked, the legal sources of the population's revenues began to dry up. The volume of production in 1992 as compared with the preceding year fell by almost 60 percent. This was to a large extent connected with the mass outflow that had begun of the Russian-speaking population, which was employed chiefly in the industrial branches (approximately 60,000 people in 1992). At just this time (the end of 1991-beginning of 1992), the All-Russian Center for the Study of Public Opinion conducted an investigation into the migration plans of Russians in a number of Union republics and autonomous republics of Russia, and it turned out that the percentage of those wishing to leave independent Chechnya was higher than in any other part of the former USSR. Some 37 percent of the Russian population planned to leave Chechnya, that is, even more than in Tajikistan, engulfed in civil war.

Unemployment among the Chechen—especially the rural—population, extremely high even before that (the surplus labor resources of Checheno-Ingushetia had by the beginning of the 1990's reached no less than a third of the able-bodied population of the republic), rose sharply with the coming of "independence." The revolutionary explosion stirred up these masses of people and threw them into the street. The Chechen capital began to fill with crowds of ecstatic youth, for whom the only accessible "work tool" turned out to be the automatic rifle. And these comprised the backbone of the social base of Dudayev's regime.

Meanwhile, Dudayev's economic plans turned out to be exceedingly utopian. What worth did his idea have, for example, to construct a gigantic water pipeline from the North Caucasus to the Near East—for the sale of Chechen drinking water in the Arab countries! Also doomed to failure was the idea to transform independent Chechnya into a "second Kuwait": There was no investment; the worn-out equipment was becoming unfit for service; specialists were leaving; oil industry workers, not receiving their wages, were striking, and then stopped working altogether. Oil output, which had already declined in 1992 as compared with 1980 by a factor of more than two, and the legal resources for survival simply would not have remained for a significant segment of the population if not for the deliveries of oil to Groznyy for processing from other regions of Russia (these deliveries, raising the volume of oil output in Checheno-Ingushetia by a factor of more than three, were cut back only in spring of 1993).

It is natural that in conditions of a permanent military-emergency situation, the lack of a normal budget, and their own currency, there could be no talk of any serious market reforms. Petty racketeering from below and a corrupt administration from above—those are the mechanisms of economic regulation that the Chechen revolution was able to offer in exchange for the previous, "feudal-Communist" means of production.

When Muscovites passing through expressed surprise at the low prices for foodstuffs at Groznyy bazaars, they were not reckoning on the extremely low purchasing power of the population, whose wages were already lower in 1992 than the average in Russia by a factor of 2.6. Workers in the budget-funded branches stopped regularly receiving their wages almost immediately after Chechnya's "sovereignization." But if the militia is converted to "self- sufficiency," it will inevitably be transferred into the service of the criminal world. When legal sources of existence disappear, criminal ones develop.

Chechnya was gradually transformed into the most important center on the territory of the former USSR for the production of counterfeit money and fake financial documents, and all of this output was going into Russia. On the territory of Russia in 1993 alone, R9.4 billion in false notes was confiscated, of which R3.7 billion was unquestionably of Chechen production, although criminology experts who deal in this matter believe that immeasurably great amounts remain in circulation. With the active participation of Chechen criminal groups, misappropriations amounting to approximately R4 trillion were organized, with the use of false credit advice notes and "Rossiya" checks.

Still more dangerous has turned out to be the transformation of Chechnya into a transshipment base for contraband, including of arms and narcotics. Every month, from the Groznyy airport, airplanes of various Russian aviation companies made about 100-150 unsanctioned runs abroad. Of course, all of these operations could have been carried out only with the complicity of mafia groupings and venal bureaucrats throughout all of Russia, first of all in Moscow. But the very fact of the absence on the territory of Chechnya of federal control (procuracy, customs, tax control), and the possibility of using it as a base and refuge for criminals, made it especially attractive for the criminal community, which is international in its composition.

The best example of this is the "independent" Groznyy airport. A criminal from any point in Russia or the CIS could easily come here and fly out to a country where no one will look for him. In all the world, they are coming up with extremely clever technological search methods. They train dogs to discover narcotics hidden in the heel of a lady's shoe. While whole airplanes could arrive in Groznyy, loaded chock-full of this dope.

But most painful of all, the process of criminalization has struck the residents of Chechnya itself. Needless to say, you cannot surprise a Russian today with shooting in the streets or with bribery of officials. It is also true that the robbery of trains and oil pipelines is a phenomenon well known, for example, both in warring Georgia and in nonwarring Kazakhstan, while the plunder of national resources (that same oil) at the ministerial level in Ukraine is the stuff of legends. But for literally *all* of the currency receipts from the sale of petroleum products, that single export resource of Chechnya, to settle in the pockets of the businessmen, for the trains to be robbed *so* methodically, and in *such* orderly fashion—nothing similar is to be found even in the expanses of the CIS, which has seen so much in its day (just in eight months of 1994 in the Chechen Republic, about 1,700 rail cars and containers were looted).

Not in a single part of the world have arms dealers had such freedom as in Chechnya: Automatic rifles and grenades could be bought here at the bazaar, like apples. There could hardly be anywhere else where the national guard has been replenished with criminals (among those who at the end of 1991 received freedom and weaponry at the hands of the revolution were about 200 especially dangerous recidivists), so that the infamous Ruslan Labazanov, who over the course of more than two years was one of the commanders of the president's guard, is by no means the only bandit in Dudayev's service. More than a few persons in the top leadership were well known in Chechnya as thoroughgoing crooks. And if the president subsequently parted with a few of them, then it was only for purely prosaic reasons of "misalignment of interests." As was graphically put by one man who knows the situation well, "After the oil deliveries from Russia were cut back, the oil trough became too narrow, and the snouts of those feeding at it became excessively broad, so they took to shoving one another aside."

Very soon, the residents of Chechnya could see that it was by no means only the "bad presidential circle" that was to blame for the transformation of the republic into a "feeding-trough for our folks." One can believe or nor believe the assertions of former security service head General Ibragim Suleymenov about Dudayev's personal participation in the embezzlement from the treasury, and about his accounts worth many millions abroad. But the image of a highly principled leader, above any material considerations, does not jibe well with the fact, for example, that the all-powerful "father of his nation" made one of his close female relatives director of Groznyy's central market, and another, with a second-grade education, the head of that same "independent" Groznyy airport. Dudayev's relations were also set up in key positions in Chechen banks.

It is evidently worthwhile to stress, especially for our national patriots, that the criminalization of Chechnya had little to do with the national peculiarities of the Chechen people. Analogous processes to one extent or another are developing in all the "unrecognized republics"—the Dniester, the Abkhazian, the Nagorno- Karabakh, the South Ossetian. If a republic is not recognized by the world community and lives according to the laws of a besieged fortress, all sources supplying it with arms and material resources are knowingly illegal.

Consequently, it is inevitable that the role there of structures created for ties with illegal business will be great, and, correspondingly, control over the criminal world will be reduced or lost completely. And this in turn brings in its wake the downfall of both the sense of justice and the traditional morality of the population. And the criminalization of clan structures that is the rule under these conditions (both the traditional ones, based on kinship, and the "nomenklatura" ones, which were formed during the Soviet period) is also not specific to Chechnya—suffice it to recall the Mafia "families" in modern Italy, which intertwined with the corrupted bureaucracy.

However, the criminal aspect of the "Chechen Taiwan" was not limited to its internal "mafia-ization" alone. Striving to overcome their "pariah complex" and to come out from their international isolation, the "unrecognized republics" of the CIS began to conclude military-political alliances among themselves. Chechnya concluded such an alliance with Abkhazia, and the latter, with the Dniester Republic [Pridnestrovye]. In Abkhazia's treaty with the Dniester Republic, an obligation of mutual military aid is specially stipulated. The content of the analogous treaty between Abkhazia and Chechnya is not bruited abroad, but the fact of the participation of Chechen armed detachments in the Georgian-Abkhaz war of 1992-93 is common knowledge. It was with the help of the Chechen battalion, which was called in honor of its victories "the Abkhazian," that the main military successes of the Abkhaz side were achieved. In 1994, this battalion constituted the basis of the military grouping used by Dudayev in his struggle first with the internal opposition, and then also with the Russian Army.

In the attempt to head the Caucasus-wide "struggle for independence from Russia," Chechnya became the main base of the militarized Confederation of Caucasian Peoples [CCP]. One of the leaders of the confederation (the chairman of the CCP "parliament"), Yusup Soslambekov, was at the same time also a very close revolutionary comrade-in-arms of Dudayev's, one of the leaders of the National Congress of the Chechen People. It is noteworthy, however, that subsequently, when Soslambekov defected to the anti-Dudayev opposition, the CCP Congress quickly removed him from his post as chairman: One does not play around with one's sponsors! It is likewise not fortuitous that the supreme commander in chiefs of the CCP forces were also always Chechens from Dudayev's circle—Isa Arsamikov, and then Shamil Basayev.

But what did Russia do to prevent or stop the transformation of one of its "prodigal subjects" into a hotbed of economic and political instability very dangerous for Russian society? To say, "nothing" means to not say anything. To too many people in Moscow and in Russia in general, just *such* a Chechnya turned out to be necessary and convenient. Only very naive people could think that such a large-scale operation as the "Chechen advice note" could have been organized and conducted bypassing state and commercial banking structures throughout all of Russia. It would seem that train robberies would be "local business." It turns out that here as well, things were not done without "tuning" from Moscow: The plunderers of the trains knew *in advance* what was in which rail cars.

Much is said and written today about how and at whose fault it was that weapons of Soviet-Russian Army units located in Groznyy before the spring of 1992 fell into Dudayev's hands. The scenario of their "daring raid" by Dudayev's fighters (or, as a variation, extortion under threat that the families of the servicemen would be butchered) is put up against the scenario of the "amicable agreement" on the transfer of weapons from one hand to another for the appropriate remuneration. Many witnesses confirm that it is the second scenario that is true, and that the wild attacks on the garrisons, organized with whoops and hubbub, are no more than a spectacle called up to keep enterprising operators in shoulder straps away from suspicion and responsibility. Let us leave this matter to be cleared up by the investigators from the commission created especially for this purpose. But after all, no less interesting is the question of how Dudayev got hold of the newest weapons from outside the borders of Chechnya as well. It is known that some heavy equipment was sold to him by Zviadist Georgia, and that some radio sets were purchased abroad, but the bulk of the arms were supplied from Russia! And not just some trifles, but, for instance, multi-barrelled anti-aircraft systems and Grad installations. Who sent them? Who set it up?

These are rhetorical questions. But who arranged to provide Dudayev uninterruptedly, over the course of many months, with scarce access to Russian oil pipelines and terminals and even scarcer oil export licenses? Who allowed airplanes with cargoes of contraband flying in and out of Groznyy to violate Russian air space, regardless even of the warning of international organizations to the effect that narcotics were being transported through the Chechen capital? Clearly, it was those who received money for doing so, and not a little of it. It is known that in similar operations the share that goes to highly placed middlemen is significantly higher than the share of the purveyors themselves.

And what about the official authorities of the Federation—what were they waiting for? Why did Russia not set up at least an aerial blockade of a regime that was so openly hostile to it, that stubbornly refused to acknowledged Russia in its lawful borders? Or did Russia acknowledge independent Chechnya after all?

That is just it—no one in Moscow has even *tried* to give a definite, logically complete answer to that question. To recognize it? Impossible; that would not be allowed by either the Constitution or the political situation (it is easy to imagine what kind of storm would have broken out in the Supreme Soviet, what kind of feast it would have been for all the opposition members, from the national- communists to the "centrists"!) Not to recognize and to *act* accordingly—that would have meant to embark on measures that would be unpopular in the democratic movement and, probably, suicidal for the reformist government ("smothering a freedom-loving people," "a return to the policy of the fist," would not be the best way to enlist the support of the democrats when conducting painful economic reforms and on top of that in conditions of mounting struggle with Rutskoy and Khasbulatov). Consequently, the only thing left to do was *wait it out.*

That was the position of power. But what was the position of its opponents? It was not anything: On that question, the opposition of that time had no position. Neither that opposition that fought for and fights for the reconstitution of the Soviet State, nor that opposition that called and calls for Chechnya and all others that want to, to be "set at liberty." The national-patriots at that time were fighting heatedly for the freedom of Crimea (from Ukraine), of the Dniester region (from

Moldova), and of South Ossetia and Abkhazia (from Georgia), and it somehow did not fit in with their plans to raise a furor on the subject of Chechen separatism. As far as the radical liberals were concerned, with their thesis of "Freedom for the people!", they did not manage to realize this thesis very well precisely as it applied to Chechnya.

First of all because the opinion of the Chechen people themselves on this score was not very clear: A referendum on that question was never conducted—neither in 1992 nor later. And second of all, how was this opinion to be made known if it was not clear whom to ask: The partition of the Checheno-Ingush Republic into two parts was not only not legalized by Moscow right up until December 1992, but it was also not agreed upon by the separating parties themselves. To the territory of the very same rayons (Sunzhenskiy and Malgobekskiy), authorities of both Ingushetia, which remained in Russia, and of Chechnya, which "left" it, laid and continue to lay claim. And if one also considers that in at least three northern rayons of Chechnya a large portion of the population would have to be herded into the independent Chechen Republic by methods not distinguishable from those used by police-state regimes, then it becomes clear that in this situation the democrats found it better not to insist on the realization of the idea of Chechen freedom. And they did not insist on it. And that was why there were on this score neither stormy debates in parliament nor incendiary articles in the press.

In a word, the policy of waiting it out on the Chechen question turned out to be convenient for *everyone*. The political indefiniteness of Chechnya's status, its ambiguous (but convenient for everyone) "semi-isolation" from Russia, which made it possible for some to retain and acquire political capital, for others to extract fantastic incomes, and for yet others (in Chechnya itself) to consolidate unchecked power—that is the bouquet of reasons that made for both the progressive criminalization and the thorough degradation of that, in the words of S. Shakhray, "free criminal economic zone." And not only economic.

Davydov Says Talks With Paris Club on Debts Not Affected

LD1302204095 Moscow ITAR-TASS in English 1839 GMT 13 Feb 95

[By BUSINESS-TASS correspondent Irina Bolshova]

[FBIS Transcribed Text] Moscow February 13 TASS—The suspension of talks with the International Monetary Fund will not affect Russia's negotiations with the Paris Club, Russian Minister of Foreign Economic Relations Oleg Davydov said.

Davydov told journalists in Moscow on Monday that a six-billion-dollar standby loan to Russia should give "green light" to the talks with the Paris Club.

The main issues on the agenda of the talks are the rescheduling of Russia's foreign debt and its participation in the Paris Club as a creditor country. This would allow developing countries to pay their debts to Russia on the terms of the Paris Club, Davydov said.

Russia's debt to the Paris Club amounts to about 35 billion dollars, while developing countries owe it about 147 billion dollars.

Earlier, Davydov stressed that the suspension of talks with the International Monetary Fund will not affect Russia's fulfilment of its obligations.

"We are ready to start paying interest to the London Club on the 1992-1993 debt estimated at 500 million U.S. dollars. We also begin to pay off Vneshekonombank's Eurobonds valued at 317.3 million dollars," Davydov said.

Russia's foreign debt is 112.7 billion dollars and may reach 130.3 billion by the end of 1995. A lion's share of the debt is the former Soviet Union's liabilities which amount to 104 billion dollars, including 35 billion dollars in foreign credits granted by the paris Club, 28.4 billion dollars in outstanding payments to foreign banks participating in the London Club and 29 billion in Soviet debt payments to ex-socialist coutnries.

Russia and the IMF suspended talks on a six-billion-dollar standby loan to Russia last week, indicating they would resume them later this month.

The talks broke up after IMF experts voiced concern that Russia's 1995 budget might be unrealistic in light of additional expenditures caused by the war in Chechnya and the parliament's decision to raise the minimum wage.

However, IMF Director-General Michel Camdessus called for granting Russia a standby loan and helping it sort out its problems.

The Central Bank's firm policy in the first half of 1994 indicated that it might enable Russia to curb inflation. However, things worsened in the six months that followed, mostly due to the ineffective system of tax collection and the October crash of the rouble. The military campaign in Chechnya may also cause a substantial increase in defence spending and the budget deficit, Camdessus said.

He said Russia's immediate task should be a one-digit inflation figure and "non-inflationary" budget deficit.

Freezing of JAL Funds Said Part of Dollar-Earning Scam

MM1302143195 Moscow IZVESTIYA in Russian 11 Feb 95 p 2

[Report by Sergey Agafonov: "Russian Tax Services' Initiative Takes On Features of International Scandal"]

[FBIS Translated Text] Tokyo—Two days ago IZVESTIYA reported the unprecedented and disgraceful action by the Russian tax services, which froze the accounts of Japanese airlines in Moscow on the pretext of "nonsubmission" of tax returns—which the Japanese airlines do not have to complete, being exempt from Russian taxation under intergovernmental agreements.

For the past two days the situation has changed in just one regard—the tax conflict that arose out of nothing at the Russians' initiative is already taking on the visible outlines of a major scandal that reaches up to the level of interstate relations. According to available information, the Japanese national carrier—JAL [Japan Airlines]—has made an official request to the Japanese Foreign Ministry to intervene urgently and ensure the fulfillment of bilateral intergovernmental accords; at the same time JAL has sent a petition to the Japanese Transport and Finance Ministries asking them to look into the tax affair and come up with retaliatory sanctions against Russia. Mr. Arai, a spokesman at JAL's Tokyo headquarters, noted in conversation with IZVESTIYA that the airline believes that the problem which has now emerged should be dealt with by government organs, since we are looking at a flagrant violation of international agreements.

Meanwhile, as we have learned from reliable sources in Tokyo, the Russian "tax box" turns out to be opened by a basic "green key." To put it even more simply, the entire ploy constructed by the tax services over the Japanese and other foreign airlines has just one aim—to earn some "real" money that will by no means go into treasury coffers.

According to research done by the Japanese, the plan is a curious one, and it merits discussion. Bilateral interstate documents unambiguously and clearly exempt Japanese companies from dual taxation, but the Moscow Tax Inspectorate (which is handling the case) insists that the completion and submission of tax returns is not stipulated and, therefore, the Japanese should submit to the "new demands" that have been introduced to strengthen accounting and controls.

Nonetheless, the Japanese companies will not be paying tax to the Russian treasury—that much is obvious—but the point is that completing the required returns and accounts as the tax services request is an operation that, because of its complexities, is performed by a number of licensed Russian companies for a considerable fee. In the case of JAL, for instance, which has three operating accounts in Moscow, we are talking about $30,000 which the company's Moscow office was meant to pay to invited specialist auditors (moreover, according to Japanese information, JAL is facing overt coercion in the Russian capital). But the most poignant aspect of the subject is that licenses are issued to tax consultancies by the tax inspectorate itself, according to the Japanese information. We thus come full circle—the inspectorate demands documents which never get further than the waste basket, not because of an attack of administrative stupidity, but for purely selfish motives. The Japanese side is convinced that this is how things are, and it does not intend to fund a tax feeding-frenzy for Russian officials.

If this Japanese-concocted scheme actually corresponds to reality, the tax inspectorate can boldly be investigated by the Prosecutor's Office, which is something called for by simple arithmetic—multiply the number of foreign companies in the Russian capital by the number of their operating accounts (on the basis of $10,000 per account) and you get an amount of "real" foreign currency turnover, impressive by any standards, that is bypassing the state's pockets under the gaze of those clever people from the tax services and their licensed partners.

We would like to believe, however, that the Japanese are wrong in their suspicions and that the Japanese companies' accounts were frozen simply out of stupidity or the ambitions of Moscow's tax officials.

Agricultural Produce Will Drop by 10% This Year

LD1002180395 Moscow ITAR-TASS in English 1652 GMT 10 Feb 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Transcribed Text] Moscow February 10 TASS—Russian agricultural produce will drop by approximately ten per cent in 1995, Minister of Agriculture and Food Aleksandr Nazarchuk told the State Duma here today.

The domestic market is being affected by imported foodstuffs, said the minister. Only 12 million tonnes of grain were purchased by the state from Russian producers last year, while the harvest was estimated at 82 millions. The share of inefficient farms in Russia reached 47 per cent in 1994. The food and processing industries are idle. Non-payment prevent the improvement of land cultivation. The agro-industrial complex owes 9,000 billion rubles to the industry, and the latter owes 4,000 billions to agriculture.

The Agrarian Faction of the State Duma suggested a draft resolution "on food provision of the Russian population in 1995". However, the draft was not supported. It noted that the consumption of valuable foodstuffs dropped by one fourth as compared to 1989. The protein deficit in food ration amounted to 26 per cent, and the vitamin deficit has reached 50 per cent. Consumption of bread and potato has increased.

Producers Meeting 50-60% of Need

LD1302190195 Moscow ITAR-TASS in English 1740 GMT 13 Feb 95

[FBIS Transcribed Text] Moscow February 13 (TASS—BUSINESS-TASS)—Domestic food producers can meet only 50-60 per cent of Russia's needs, deputy minister of agriculture Anatoliy Ogarkov said.

Speaking at a news conference in Moscow on Monday, Ogarkov said that the consumption of basic food products has shrunk in Russia over the last few years and for some of them fell below the required level. The problem is also being complicated by the growing shortage of raw products, especially high-quality ones, used by the food industry.

The last few years have been marked by the drop in food production and the critical situation in the food industry struggling to survive with long-outdated equipment. The production of some types of food products has been thrown back by 20-25 years.

The losses amount up to 20-40 per cent due to outdated equipment and lack of funds to carry out modernisation programmes, Ogarkov said.

Moscow Anticipates Being First-Time Net Grain Exporter

LD1302184995 Moscow INTERFAX in English 1800 GMT 13 Feb 95

[FBIS Transcribed Text] Moscow, Feb 13 (INTERFAX)—Russia will export about 3 million tonnes of forage grain during the next agricultural year in fact becoming a large grain exporter for the first time.

Russia has not yet made a decision on importing other kinds of grain, Russian Deputy Premier Aleksandr Zaveryukha told INTERFAX today.

He said that, however, Russia could buy 1.7-2 million tonnes of food wheat "depending on the situation."

According to official statistics, the total grain crops fell to 81 million tonnes this agricultural year from 99 million tonnes last season, the total wheat crops fell to 32 million tonnes from 42.5 million tonnes. The Russian State Statistics Committee said Russia had imported 2.09 million tonnes of grain in 1994 against 11.1 million tonnes in 1993 and more than 25 million tonnes in 1992.

Zaveryukha said when opening the Prodexpo-95 Second international fair of food products today, that the problem concerning food supply for the country was rather sharp as the Russian agrarian sector had to reduce output and delivery of raw material for the food industry last year. At the same time, Zaveryukha said he believed that "with normal state support" the Russian agricultural-industrial complex was capable of supplying the country with basic food products and be competitive on the international market.

International Affairs

NATO Military Committee Chairman Visits Kiev

LD1302194495 Moscow ITAR-TASS in English 1728 GMT 13 Feb 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev February 13 TASS—Chairman of NATO's Military Committee Field-Marshall Richard Vincent arrived in Kiev late on Monday [13 February] for talks with the Ukrainian leadership.

The talks will center on a broader cooperation between the Ukrainian Armed Forces and NATO, and on improvement of the international security.

ITAR-TASS was told in the Ukrainian Defence Ministry's Press Service that Vincent is to meet Ukrainian Deputy Prime minister, Defence Minister Valeriy Shmarov, Foreign Minister Hennadiy Udovenko and chairmen of several parliamentary commissions.

Discusses PFP Program With Masol

LD1402103995 Kiev UNIAN in Ukrainian 1900 GMT 13 Feb 95

[FBIS Translated Text] Kiev—On 13 February Ukrainian Prime Minister Vitaliy Masol met Field Marshall Sir Richard Vincent, chairman of NATO's Military Committee, who is in Ukraine on an official visit. Unian learned at the Ukrainian Cabinet of Ministers press service that they discussed cooperation between Ukraine and NATO and implementation of the Partnership for Peace program.

In particular, Vitaliy Masol spoke about the current economic situation in Ukraine, stressing that the predominant majority of Ukraine's population is aware that it is only possible to get out of the crisis through economic reforms. He stated that as one of the largest states in central Europe, Ukraine should become a guarantor of security on the continent, and that it therefore prefers peaceful political means to resolve conflicts.

Richard Vincent noted that at NATO they have an understanding attitude to the problems of an independent Ukraine, and are satisfied with the changes taking place there. According to him, implementation of the Partnership for Peace program will make it possible for Ukraine to establish closer links with the leading states of Western Europe.

Official on Expansion, PFP

LD1302205895 Moscow INTERFAX in English 1925 GMT 13 Feb 95

[FBIS Transcribed Text] Kiev Feb 13 (Interfax-Ukraine)—NATO's expansion is possible in principle, the chairman of the alliance's military committee Field Marshal Richard Vincent has said. He is in Kiev on a visit at the invitation of Ukrainian officials.

Field Marshal Vincent said that NATO's expansion must not be a game in which there are winners and losers. It must be a controlled, evolutionary process.

The question of Russia's participation in the Partnership for Peace Program Field Marshal Vincent described as a political one, in the first place, for Russia itself. He recalled that by signing the framework agreement of cooperation with NATO Russia already made certain commitments.

Field Marshal Vincent said NATO hoped that process would be continued in the constructive fashion.

He pointed out that each country taking part in the Partnership for Peace plan was to make up its mind to what extent it would participate in it. Field Marshal Vincent believes that NATO's relations with an individual country must not influence its relations with other countries.

Western Aid Demanded To Build New Nuclear Plants

AU1302173495 Paris AFP in English 1703 GMT 13 Feb 95

[FBIS Transcribed Text] Kiev, Feb 13 (AFP)—Ukraine on Monday [13 February] asked for western aid to help build a new generation of nuclear power stations and rejected appeals to shut the Chernobyl plant, site of the world's worst civilian nuclear accident.

"We can't close the Chernobyl nuclear power station without having constructed production capacity to compensate," Ukrainian President Leonid Kuchma said at a press conference.

The Ukrainian authorities want to keep part of the site at Chernobyl operating until the end of the century to provide employment for 7,000 people on the site and provide the country with enough energy to export to other countries in the former Soviet Union.

They also want to construct two new reactors at Slavutich, 45 kilometres (28 miles) from Chernobyl, a town of 30,000 inhabitants built to house workers evacuated after the accident in 1986 when one of its reactors exploded, sending a radioactive cloud across most of Europe.

The G7 group of leading economies and the European Union have suspended offers of financial assistance until Ukraine agrees to close the remaining reactors on the Chernobyl site, which they claim are not up to European safety standards.

Mickhail Pavlovski, head of the Ukraine parliamentary commission on nuclear policies, said: "The West must finance the construction of modern, new reactors in the Chernobyl area which will cost 7 billion dollars.

"That is the solution that is in the best interests of Ukraine and Europe."

Industrialist on Reforms, Ties With Russia

WS1302143095 Kiev HOLOS UKRAYINY in Ukrainian 31 Jan 95 p 11

[Interview with Vasyl Yevtukhov, president of the Ukrainian Union of Industrialists and Entrepreneurs, by Anatoliy Kraslyanskyy; place and date not given: "A Strategic Turning Point Is About To Occur in Ukraine's Economy"]

[FBIS Translated Text] [Kraslyanskyy] **Vasyl Ivanovych, I would like to ask you, not only as a deputy, but also as an expert, the following question. There are many contradictory assessments of the current economic situation in Ukraine right now. What would you have to say about this?**

[Yevtukhov] Indeed, the situation is very complicated today, and hence we have contradictory assessments. However, if one compares it to, say, the middle of last year, then, in my opinion, one will see that a strategic turning point has been attained. Let me make a comparison. Ukraine today is like an army that has been retreating for several years, or holding a godforsaken defensive line, and draining its own blood. But afterward, it was able to gather its strength and take the offensive, and moreover a planned one. The victory is still far off, but we are already moving toward it.

On this path, in my opinion, the idea of building a strong, prosperous state and the supremacy of values common to mankind is worthy of support. I am assured that President Kuchma's initiative to proclaim the years 1995 through 2000 a period of peace and accord is extremely vital. Everybody must heed this initiative—leftists, rightists, and centrists. This also goes for tackling the problem of what powers the authorities should hold.

As early as last fall, I told my electorate that there can be no way out of the crisis without a clear division of the powers and responsibilities of all the branches of power, or without restoring the vertical power structure and putting society in elementary order.

When he submitted the bill on power to the Supreme Council, the president was primarily proceeding from the assumption that people should know clearly who is responsible for what in the state, and who, ultimately, may be appealed to for assistance and protection.

As of today, the executive and legislative branches in Ukraine are very often involved in the same issues. Is this normal? This is why I understand the president, who wants to put an end to such uncertainties both in the higher echelons of power and those accountable to them. Along with this, I will never accede to anybody's desire to disparage the role of the Supreme Council, bring the supreme legislative body into collision with the president, or set one against the other. I personally regard such attempts as crimes against the state. Such attempts must be strongly put down. The confrontation between power branches, whatever its reason, is, after all, the beginning of the end of Ukraine's democracy and statehood. I believe that the wisdom of the Supreme Council and its leadership, as well as that of the president, will prevent this from happening.

[Kraslyanskyy] **It is a truism that strong executive power in a country governed by well-balanced laws will guarantee a way out of the crisis.**

[Yevtukhov] V. Melnychuk, presidential adviser for economic issues, recently published statistical data describing the depth of the economic crisis. In Melnychuk's opinion, the primary reason for the slump in production is the poor implementation of economic reforms. In Russia, however, reforms are being realized considerably faster and the power structure is organized better than in Ukraine, although they have no less problems with their economy. Suffice it to say that the oil production there over the past few years fell from 800 million tonnes to 400 million, and Russia—unless resolute steps are taken—may actually turn from being an oil exporter to an oil importer.

[Kraslyanskyy] **So what do you see as the real reasons for the current crisis?**

[Yevtukhov] They have been discussed more than once and I do not want to repeat myself. I will only say that the primary reason is the abrupt loss of economic ties with former republics of the Soviet Union and, consequently, the loss of advantageous markets. In the West, people have to fight for markets; nobody gives them away for free. As for us, we did this in one fell swoop. I recently met with some influential governmental officials and businessmen from Poland, Hungary, and Romania. They said unanimously that it was vital to restore ties with their Eastern partners and, in particular, with Ukraine.

One more thing. All attention by the end of 1991, at the first stage of the USSR's disintegration, was concentrated on political issues—on the birth of independent states. The economy stood somewhere on the sidelines, like an unfortunate orphan. Those voicing their concern for the future of production seemed to be almost the bitterest enemies of statehood. Under such circumstances, the economic, production, and financial ties of the young states began to fade. It was only gradually that we in Ukraine began to be aware of what an elephantine economy we have inherited. This economy includes superconcentrated branches of the military-industrial complex, antiquated equipment in the metallurgic and extractive industry, the outdated machinery building sector, an acute deficiency of energy resources, and many others.

Now, one more factor should be added to all this—reforms. When asked about what they are, I answer briefly: a change in the forms of ownership with a view to improving production. All the rest is evil, and is of a secondary nature. Bitter as it is, it should be admitted that the state long ago renounced its legitimate ownership rights—in a quiet and unobtrusive way. This means that state-owned enterprises, which were accustomed to being provided with plans, supplies, and centralized distribution of their production, suddenly found themselves in an unusual situation—allegedly they are in charge of the state, but, at the same time, nobody is responsible for them or pays any attention to them. This is where profiteering and "grabatization" prevailed, as well as squandering and sell-offs, corruption and crime. For God's sake, would any genuine owner tolerate a situation where his enterprise produces nothing for months, while his specialists have to stay on so-called leaves of absence? I will note in passing that our President Kuchma may be credited for showing courage and the will to put an end to this anarchy, and adopt a tenacious course toward true reforms, including privatization, whose primary concerns are the interests of the workers, not the nomenklatura, and the increasing of production, not privatization for the sake of "grabatization." I would go so far as to state that, for diverse reasons, the purpose of the reforms has been changed, and we have swallowed this change in silence. I do not doubt the need for market reforms, but the woebegotten politicians, by their slogans, have broken absolutely everything, including the state power. They have supplanted the true aim of the reforms through political speeches and economic experiments, and have also unsettled the financial and banking spheres at the macro level.

There is a growing stereotyped opinion of "the market economy" in society, whose essence is in buying cheaply and selling at exorbitant prices.

Exaggerating the role of money in economic life as the whole object and aim of things leads to corruption, outrages by criminal and mob structures, and teaches people to get money at any cost, which inevitably leads to declining morals, slumping production, and the degradation of society. Many people are simply lost and do not know what to do. This forces them to place their demands again on a political plane, which threatens the reforms themselves in the full sense of the word.

[Kraslyanskyy] **So what model of economic development have we chosen?**

[Yevtukhov] We are being offered—the analogy to a bazaar is valid here once again—various options. They include the Russian way, the Chinese option with authorities giving priority to the state sector, the American option, and the Swedish one with its socially-oriented economy. In observing all this, a rather simple question occurs to me: If the Swedish way is better, then why do the Americans not follow it? Or vice versa. This reminds me of the well-known phrase from my childhood: Learn from foreigners, but do not forget what you have been taught at home. One must not copy someone else's model, but have one's own, which could conform with Ukraine's specific circumstances. Briefly, this is a socially-oriented model of a market economy, which should be attained through a planned transition under state control.

[Kraslyanskyy] **However, aside from everything else, everyone is telling us about Ukraine's shortage of natural resources, which may make us dependent on Russia.**

[Yevtukhov] With regard to Russia, I have on numerous occasions expressed the opinion, both in the press and the Supreme Council, that we should be partners. If Russia feels bad, this will negatively affect matters in Ukraine. And vice versa!

In the long run, we cannot ascribe all our ills to the shortage of natural resources. Even schoolboys know that Japan suffers from the same deficiency. However, Japan is one of the most developed countries of the world. Another example is the Baltic states. While they started their reforms at the same time as us, they were in a considerably worse situation regarding energy resources. However, they have followed their own path and achieved quite good results, as shown by the convertibility of their currencies.

Ukraine is not so rich in natural resources. [sentence as published] Yes, Russia has oil, but it has no manganese or zirconium. It is our country that has globally important reserves of iron ore, scandium, lithium, beryllium, titanium, and zirconium, which are basic metallurgy components in the military-industrial complex. In addition, due to its low-level exploitation of its natural deposits, Ukraine still has untouched up to 70 percent of its known reserves of oil and 40 percent of its coal. Ukraine extracts kaolin of top world quality. Incidentally, not everybody knows that kaolin is used not only in the production of marvelous china, but it may be used for more serious purposes, too. It is a pity that kaolin is being exported from Ukraine at absurdly low prices. It would not be a mistake to say that those buying our raw material resources and using our "bazaar," are creating their own strategic reserves.

Ukraine may become a gold extracting country. The same may be said about uranium ores.

A completely different question arises as to how to dispose of these riches economically. Just try to push businessmen aside from kaolin and trading in metal, oil, or chemical products, and loud voices will immediately start blaming you for antimarket policies. This is a cruel world.

Speaking of raw material reserves, the fact that we possess them must not be seen as the basis for reforms. On the contrary. We should waste them as little as possible by processing them to the fullest possible extent.

We must gain markets not with our raw materials, but with finished products. This will allow us not only to provide people with jobs and protect production and the intellectual sphere, but also to prevent the state itself from becoming a raw materials supplier.

Besides, speaking about the market and various economic models of development, unfortunately, one does not hear the most important thing from our government officials and scientists: How to preserve the market that has already been gained by our producers? Markets are essential for a market economy, but we, unfortunately, are losing them. Not only in Russia and Kazakhstan, but also in other countries.

[Kraslyanskyy] **The problems you have outlined will take many years to resolve, while the country needs to resolve its crisis immediately.**

[Yevtukhov] This is why I think that restoring economic ties with the CIS countries—and first and foremost with Russia—appears to be the primary, priority task. However it should be on the principles of independence and mutual benefit. I emphasize—independence, not self-isolation. Sad as it is, for the time being all we are doing is holding discussions and arguments on this issue. Russia is doing everything it can to make up for the lack of supplies of certain Ukrainian products by setting up its own production. In St. Petersburg, for example, the Kirovskiy plant is getting ready to produce gas pumping stations, which are currently produced in Mykolayiv and Krivyy Rih. Production is beginning to be duplicated in the military-industrial sphere—engines are being produced there instead of being bought at plants in Zaporizhzha, Kharkov, and Mariupol. A gas pipeline is being laid across Belarus, a railway is being built across Finland in order to secure Russia's access to the Baltic ports, since it is becoming increasingly difficult for Russia to use Baltic and Ukrainian ports.

The rhetorical question arises: To whose benefit is it for Ukraine to lose its partners and Russia to spend money, sometimes hard currency, creating things that already exist and could be used to mutual advantage?

It would not be quite right to see such Russia's actions as exclusively anti-Ukrainian, since Russia, influenced by market relations, is primarily seeking to secure its own national interests. Therefore, we should perhaps consider how the populist slogan "Who's eaten my porridge?" is being exploited. The cause of discord between our nations is being served by certain politicians and information media on both sides. It needs to be understood that both Russophobia and Ukrainophobia are a path to nowhere. Some third party will profit from whipping up such filthy attitudes. There are certain political forces also in Russia, quite influential ones, that simply provoke the aggravation of relations between our nations. I recall how Ukrainian and Russian commodity producers conferred once when the agreement on free trade was being signed between Russia and Ukraine. However, few people knew that, at the demand of influential Russian politicians, the agreement was accompanied by an appendix modifying the entire content of the agreement bar the name alone.

Despite the reformist slogans and world prices, prices for energy resources in Russia are much lower than in Ukraine or Belarus. This means that a Ukrainian or Belarusian producer, to keep hold of the Russian market and remain competitive, must work (all other circumstances being equal) ten or twenty times harder if the price for his energy resources is ten or twenty times greater than in Russia. Is that a partnership? I spoke about this in Minsk at the meeting of industrialists from Belarus, Russia, and Ukraine. Everybody supports that standpoint, but actions are scarce.

Perhaps this is why Ukraine, as in former times, must put forward an initiative to bring together the common interests of Belarus, Russia, and Ukraine, primarily in the economic sphere.

At the same time, we must safeguard the operation of the mechanism for interstate financial settlements on an own-currency basis. International experience shows that similar unions, if they have a coordinated, clear, legal basis, do not threaten the sovereignty of the participating states. Such an initiative by Ukraine, in my opinion, would overturn accusations that Ukraine's position toward the CIS is destructive, and would refute the populist statements by certain politicians both in Ukraine and abroad. Moreover, such a position by Ukraine would reveal the double game being played by certain Russian politicians who support the union in their words, but torpedo it in their deeds.

[Kraslyanskyy] **In this respect, the agreement on friendship, cooperation, and partnership between Ukraine and Russia would be a timely addition, would it not?**

[Yevtukhov] Undoubtedly. Life itself requires that it be signed. Some extremely constructive work has been done here by the Ukrainian delegation headed by Deputy Prime Minister Ye. Marchuk. This agreement would be a good foundation and a guarantee of cooperation between our nations.

National Affairs

Kuchma 13 Feb News Conference

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[News conference given in Kiev on 13 February by Ukrainian President Leonid Kuchma prior to his departure for Lvov—recorded]

[FBIS Translated Text] [Kuchma] Esteemed participants of the news conference: First of all about Ukrainian-Russian relations, which naturally await our compatriots. You know that talks between the state delegations of Ukraine and Russia on a wide range of issues took place in Kiev on 7-8 February. One may assert that they will have a positive response in Ukrainian and Russian society, in the CIS countries, and in the world community as a whole.

One should note that the Russian president appointed by a special decree Oleg Soskovets, first deputy chairman of the Russian Federation government, as head of the delegation at these talks. You know this well, [he is] a person who can and is authorized to make decisions. I also had two meetings with him in Kiev when both sides demonstrated the desire to find a solution to (?old) problems, and fundamental agreement on three blocks of issues was reached: First, work is practically complete on the treaty on friendship, cooperation and partnership, which has been initialled. In accordance with my agreement with the president of Russia, the delegations coordinated the formulation of articles in the treaty so that they correspond to (?those) demands concerning dual citizenship. The provision fixed in the treaty that the sides respect each other's territorial integrity and confirm the inviolability of the borders existing between them is extremely important. I want to stress that completion of the work on the treaty paves the way for the visit to Kiev by Boris Nikolayevich Yeltsin and I had a conversation about this in Almaty. We practically agreed on the beginning of March.

Second, during the talks it was also agreed that during Boris Yeltsin's visit to Ukraine a declaration will be signed, which will set out the basic principles of dividing the Black Sea Fleet. Experts from the Russian Federation and Ukraine are now working on the specific provisions of this declaration.

The third bloc of issues concerned trade and economic relations between the two countries and resolving the problem of our debts to Russia. I am not going to list the intergovernmental agreements. I know that these were given at the news conference, so you know about it. The next thing, the main thing, is to put these agreements into practice.

A regular meeting of the CIS Council of Heads of State and the Council of Heads of Government took place in Almaty on 10 February. Many of you took part in this process. A wide range of issues connected with the CIS's current activity and the prospects for developing cooperation between the commonwealth countries were examined. All the same priority attention was paid to issues of the economic community, mainly the activity of the Interstate Economic Committee, the IEC. Important political issues were discussed.

You know that Ukraine signed an appeal to the peoples of the CIS states and the world public in connection with the 50th anniversary of the victory over fascism, the memorandum on maintaining peace and stability in the CIS. I consider this to be a very important document all the same, a decision on restoring and preserving a single scientific space within the bounds of the CIS, the basis of the commonwealth states' customs legislation—with reservations, it is true—and a decision on setting up a unified air defense system, also with reservations. Ukraine did not take part in discussing or signing documents of the CIS collective security council or those concerning the activity of the CIS collective peacekeeping forces and the situation at the Tajik-Afghan border, although we did take part in some kind of political discussion [of this issue].

Summing up the results of the Almaty summit, I want to stress that all of the decisions, which Ukraine supported, do not only not contradict Ukraine's state interests, but promote the further development of cooperation with countries of the former [Soviet] Union. I consider that cooperation within the framework of the commonwealth organically adds to the development of mutually advantageous relations on a bilateral basis.

[Correspondent] Danylo [name indistinct]. I have a question from a group of journalists. Highly esteemed Mr. President: The IZVESTIYA newspaper recently reported happily that the production of strategic Topol missiles is the end for Ukraine's rocket industry. How would you comment on this assertion? And the second question: Since the beginning of last February there has been no law on power; What actions by the administration can we expect? Thank you.

[Kuchma] Well, the Topol was always produced in Russia. And with regard to our strategic missiles, you know that in all the agreements which Ukraine has signed strategic missiles will never be produced in Ukraine. With regard to other rockets, there are no hindrances, as they say, whether space [rockets], tactical [missiles] or others. Ukraine has such possibilities.

With regard to the law on power, I want to tell you with satisfaction that twice I had meetings with the coordination commission. And I liked this commission's style of work because the law was examined not from political considerations, and this commission's decisions were not made proceeding from political problems but from the situation we actually have in our state. More than 90 percent of all points in the law on power have been practically agreed. And I am convinced that if there is such a discussion in the Supreme Council too, and I see that there is such an intention, then this law will be adopted in the near future.

[Correspondent Levytska] Levytska [name of news agency indistinct] and the ZA VILNU UKRAYINA newspaper. Esteemed Mr. President, in the Kazakh capital you said that the present policies of the Ukrainian leadership are long-sighted ones. Please explain where the foresightedness is in the Ukrainian leadership's current policies.

And the second brief question: All of the heads of state, including the Ukrainian president, agreed to extend the term of Boris Yeltsin's chairmanship [of the CIS Council of Heads of State]. In doing this, did they recognize that the Russian leadership committed genocide against the (?Chechen) people?

[Kuchma] All actions by Ukraine's executive power are anticipated, beginning with foreign policy. We have been consistent both in our relations with the CIS countries, and above all with Russia, and with the Western countries. As they say, we do not change our position each week. And this concerns domestic policy too, and above all economic policy. If the country has truly started on the path of radical economic reforms, I repeat, we do not intend to turn from this path.

With regard to the fact that Russia has been elected to be chairman this year, I do not find anything [wrong] in this. Tell me please, whom we can task with this—we discussed these matters well—according to the CIS working regulations or alphabetically? First Azerbaijan, then Armenia, then Belarus. Tell me please, [what should we do?] So I supported [Russia]. I understand that now everything depends—above all in economic matters, which is especially important to Ukraine—on Russia. Therefore, I think it was impossible to make another decision at this time.

[Correspondent Kolomyets] Marta Kolomyyets, Ukrainian Weekly, NEWSWEEK. Esteemed Mr. President, I would like to return to the issue of Boris Yeltsin, namely that a Ukrainian-Russian treaty was initialled last week after long weeks and months of talks, and on the day before the meeting in Almaty. Did Ukraine do this to show the rest of the world support for Boris Yeltsin, in view of his difficult situation now? And also, would you comment where are the pluses and minuses for Ukraine in this Ukrainian-Russian treaty? Thank you.

[Kuchma] If such processes are occurring in Russia at a legislative level, as they say, and the issue is raised again with regard to Ukraine too, then I think that Ukraine only wins from this if the treaty between Russia and Ukraine is signed in the near future, between Ukraine and Russia, from all points of view too, so that they stop speculating on this both in Russia and Ukraine. Although we again signed this memorandum in Almaty, which condemns separatism, which is very important incidentally, and nationalism and chauvinism and so on. I see only pluses, I do not see any minuses concerning Ukraine. As for Russia, I think it better for Russian politicians to reply to this question. I think that Russia should show the world that it too has taken the path of civilized democratic development, that apart from declarations, as they say, one should also be engaged in concrete matters and show the whole world, following the example of Ukraine.

[Unidentified correspondent, speaking in Russian] As is well-known, ecological assessments of the Black Sea Fleet's activity have been conducted frequently within the framework of the Ministry of Environment and Nuclear Safety, and judging from the latest data from these assessments, the total damage done within Ukraine's economic zone considerably exceeds Ukraine's total debts to Russia for fuel. In connection with this, as president of Ukraine, are you not intending to propose to Russia, proceeding from the current joint affiliation of the Black Sea Fleet, that it pays off some of the damage, either directly or in exchange for Ukraine's debts for fuel? Thank you.

[Kuchma] You replied to a part of your own question. There really is such a problem. But the main thing is that this fleet is a joint one, so whom should one address? And it has not been divided yet, only on paper, as they say. Therefore, it is necessary to urgently complete the decision on dividing the fleet, so that each navy has its own flag. Then such questions may be asked. So let us wait a little.

[Correspondent] NASHE SLOVO. Esteemed Mr. President, Ukraine signed the concept of air defense with reservations. Could you name these reservations? And if I may ask a second question: A fairly strange situation has emerged in the production processes. Many producers know more about the possibilities of former partners in the CIS than about the possibilities of enterprises making similar goods in Ukraine. Would it not be more efficient and more favorable to set up an information database on Ukrainian enterprises and their possibilities in order to bring the level of the production cycle to the standards, which exist in the world? Thank you.

[Kuchma] There was one reservation: not to contradict Ukraine's current legislation, or did I write the national legislation? And as for the fact that we should have cooperation—we have it. You understand that no plane can fly through, as they say, if there is no agreement on this decision with the air defense forces of each country. Thus, this was written down. There is nothing about conditions regarding defense under one joint command. At the same time the use of space forces, you know this is practically...[Kuchma pauses] This information is to be found in Russia. It is very important for Ukraine to have it. All of this is envisioned in this agreement.

More is known about the CIS than about Ukraine. Yes, this is truly so, that...[Kuchma pauses] I am getting ready to go to Japan. I know that very few people in Japan know that there is a state called Ukraine. We are working in this direction, beginning from the fact that books are being published at the level of trade chambers, at the level of governments, which describe each enterprise and its possibilities. This has to be done. And then one should create a network of our trade representatives in all countries. We do not have them in most countries. We have an ambassador, as they say, and his deputy. So, this should be done, and our greatest publications should be represented in all countries, so that information about Ukraine is received not through Moscow and through other agencies, but through Kiev.

[Correspondent Zorya] Vasyl Zorya, UNIAN news agency. Mr. President, please explain again—if you are not dissatisfied with the government's actions, are you now in favor of the resignation of the Cabinet of Ministers or individual members of it? And my second question: We know of your decision to remove Bohdan

Klyuk, head of Ukrhazprom, from his post. It is not known how well-considered this decision was, as we were luring this qualified employee away from [word indistinct] for several months. But the reaction of Russia is well-known: If you dismiss Klyuk, then we will take him into Gazprom, and he will be engaged in delivering gas from Russia to Ukraine. My question is: How normal is the now customary pressure from Russia at talks with Ukraine, and were there some fundamental concessions by Ukraine in exchange for the removal of the point on dual citizenship from the text of the treaty? Thank you.

[Kuchma] I want to act within the law, and I do so. And as far as the government is concerned, I have said many times that the Supreme Council is appointed the government, and it should make a decision if it is not satisfied. So let us wait for the government's report, and then we will see. This is why I proposed the law on power, so that a decision could be made concerning this situation without waiting for someone. Klyuk was reproached by a committee's instruction, as they say. And this treaty was drawn up so as not to contradict our current legislation. It will work, as it works now. You know, I twice met Boris Nikolayevich Yeltsin, and twice we did not have any differences regarding territorial integrity and inviolability of borders or dual citizenship. There was no presssure from the president of Russia. Then a slightly different game probably began. Well, I am pleased that this game ended with the initialling of this treaty.

[Correspondent Oliynyk] Maryana Oliynyk, KIYEVSKIYE VEDOMOSTI. Mr. President, will you please say a few words about your bilateral meetings in Almaty? And with your permission, another question: Have you changed your opinion of the CIS as an amorphous structure without a future? Thank you.

[Kuchma] Well, you probably know my stance on CIS issues very well. I said and still say—although my words have been slightly distorted—in the form in which it has been up until now, the CIS will truly have no future if mechanisms to implement all the agreements signed by the heads of state and government do not start to operate. I say that the last hope is the creation of an interstate economic committee. If this committee really starts to operate, then one may consider that there is some progress. But if not, then I do not know.

And you see yourselves that practically all decisions between all countries on economic issues are at the level of bilateral agreements. So we will wait and see. You know that I am a supporter of integration. I understand how important the economic space of all the CIS countries is to Ukraine. And also we agreed—I had an invitation—with Kazakh President Nazarbayev, that I will pay an official visit to Almaty in April, and we will examine bilateral agreements again.

With regard to bilateral meetings in Almaty, I had meetings with the president and prime minister of Moldova, the president—no, not the president, but Georgia's head of state and parliament—and Kazakh President Nazarbayev. We talked about bilateral relations. With regard to Moldova, there are prospects for their internal conflicts, so that Ukraine could play a more important role in the Dniester conflict. As they say, this is an issue for tomorrow. As regards Georgia, we reconfirmed adherence to the principles which we signed during my visit to Georgia, to Tbilisi, and agreed that the head of Georgia's government will visit here in the near future. And you know what it was about, about the elaboration of future projects, including oil supplies in the Black Sea region. Most of the conversation with Nazarbayev was about bilateral agreements and their implementation. I am pleased that Nazarbayev wishes to work fruitfully with Ukraine, and both Ukraine's and Kazakhstan's interests are truly great. As for conversations in the corridor, as they say, these were not conversations.

[Correspondent] Oliynyk, URYADOVYY KURYER. International organizations have recently been coming out more actively in support of the closure of the Chernobyl nuclear power station [AES]: Mr. President, can Ukraine fulfill these requirements and how can it behave in these circumstances?

[[Kuchma] Ukraine's position on these issues is well known. I also understand that the Chernobyl AES should be closed down from the moral point of view because it is a symbol. With regard to the timing of the closure, I have always proposed resolving this issue as a whole. The closure itself does not reduce the safety of the Chernobyl AES; indeed, it has the opposite effect. I do not want to provide details because you probably know them all too well. The second issue is that you must understand what the Chernobyl AES is from the point of view of electric power for Ukraine. One must have other (?sources). Capacities at other atomic stations, including the Zaporozhye AES, should also be resolved more quickly, as well as the reconstruction of our thermal power engineering. Such projects are supported by the world.

[Correspondent] Mr. President, as far as we know you are flying to Lvov today. This is your first trip to western Ukraine. First, what is the program of your visit in Lvov? Second, at this point, why are you going to a western rather than an industrial oblast? Is this a coincidence or is there a reason?

[Kuchma] First, I have planned to go to Lvov for a long time where I have specific issues to address. Today I will examine the possibility of creating our Ukrainian bus. [as heard] First, there are too many discussions but not enough specific decisions. Second, there will be meetings in the oblast council with the leadership of the oblast, and I will give my views on such issues as adjustments that our economic path requires and which I am convinced it needs. Third, the truth is that I intend to spend 10 days in Truskavets health resort where I will rest for 10 days. The main thing is to prepare well for a (?critical) speech to the Supreme Council. So I will spend the time working.

[Correspondent] Serhiy Naboka. Esteemed Mr. President, in a recent interview we learned that Ukraine's

General Staff had drawn some specific conclusions from the events in Chechnya. At what conclusions have you and your administration personally arrived from the point of view of those continuing events?

[Kuchma] I have already said today that I would like you not to get confused. The administration cannot draw any conclusions. The president or the government can draw conclusions. I tell you openly that the situation in our armed forces, including the events in Chechnya, were discussed by the National Security Council and a relevant decision was adopted.

[Correspondent] [Name indistinct] SEGODNYA newspaper. Mr. President, first, I would like to ask you whether such cases, when dozens of highly esteemed statesmen get together and come out with such trivia, has any effect? The second question is about the AN-70 aircraft. The experts have stated that it was too soon to allow this aircraft to fly, and that another year of work was required. Was there any pressure on the part of the government to [word indistinct]. Thank you.

[Kuchma] With regard to the meetings, I reject what could practically be described as accusations that we should do nothing and travel nowhere. I think I told you that once, during a meeting with Germany's Chancellor Helmut Kohl, I was told that in the 1970's relations between Germany and France were not very good. He said that they held meetings with Mitterrand practically every month, either in Bonn or in Paris, or between these two places. Relations at the level of heads of state decide so many issues that no government delegations, whatever the level, could resolve these issues. And you know only too well that if I had not met Boris Yeltsin then these agreements would not have been initialled.

[Correspondent, interrupting] You have not quite understood me. I meant, would it not be better to make use of bilateral meetings rather than such summits?

[Kuchma] One does not exclude the other. I know that [word indistinct] there were two more presidents, and the three of them decided to confer. These were Uzbekistan and Kyrgyzstan.

The AN-70. You probably know that the decision is made by the main designer, and he bears the responsibility to carry out or not to carry out such flights. I was invited to the first flight. I especially did not attend it because I know the effect that the presence of high officials can have when they travel somewhere to view something. I tell you with 100 percent certainty that nobody on the part of the government or the ministry ever put pressure on the Antonov design bureau. Whatever happened was not as a result of pressure. Something always happens in Ukraine which is not supposed to happen in normal life.

[Correspondent] [Namde indistinct] EKONOMIKA I ZHIZN newspaper. Leonid Danylovych, the world and CIS press is recently being more respectful toward Ukraine, and this is connected with the forecasting of Ukraine's policies, and probably with the start and the progress of market reforms. In your work, are you aware that what is taking place in Ukraine—I refer to market reforms, which, one way or another, are progressing and moving forward—has had the effect that you have acquired more political possibilities, both within the CIS and in the world. Second, we, and especially journalists, in dealing with the relationship with Russia, quite often narrow it down to the problem of fuel supplies. We could cite some examples of some new original solutions in the field of Ukrainian-Russian mutual economic relations: Here we have in mind ports, timber industrial complexes, the work of Ukrainian engineers in Tyumen and in other regions, i.e., not just with regard to supplies of oil and gas. Thank you.

[Kuchma] I understand very well the importance to Ukraine of normal relations with CIS countries and Russia. I say this every day, and yesterday when I heard on Ostankino Television that President Kuchma accused Russia of this and that, then I do not know. I did not give a news conference in Almaty, but there are forces which thrive on instability. Such a fierce fight for power which exists in the majority of CIS countries [word indistinct] including in Russia and in Ukraine, where it is felt that there is a struggle for power. I cannot describe this in any other way. I have conducted and will conduct a policy of normal and equal relations. I stress, equal relations. Because if there is pressure from one side then there will never be a desire for normal cooperation. Never. With regard to the situation here in Ukraine, to our great misfortune the cooperation between the executive power and the legislative power is such that the executive power adopts decisions and the next day the legislative power begins to discuss them, instead of cooperating.

Shmarov Says Non-Aligned Status 'Right Policy'

LD1302210395 Moscow INTERFAX in English 2011 GMT 13 Feb 95

[FBIS Transcribed Text] KIEV, Feb 13 (Interfax-Ukraine)—Ukraine's non-aligned status is the right policy at the moment, Ukrainian Defense Minister Valeriy Shmarov told journalists after his meeting with the chairman of the NATO military committee, Richard Vincent, in Kiev Monday.

At the meeting, Shmarov said "the European community is living a difficult transition period, and NATO deliberately does not seek expansion, since it can revoke the confrontation system to life."

According to Shmarov, gradual integration in European institutions would be the most befitting policy for Ukraine.

Commenting on NATO's differences with Russia over the disputed expansion, Shmarov said: "No one thinks that Russia is a weak state. This is a superpower, superpowerful in the military respect. This is so, though various commentaries are being made on the account."

Change in Rossiya Faction Leadership Viewed

954F1244A Simferopol KRYMSKIYE IZVESTIYA in Russian 4 Feb 95 p 1

[Article by L. Chevelcha under the rubric "Chronicle of Party Life": "The Tact of Politicians or the Tactic of Withdrawal?"]

[FBIS Translated Text] *The leadership of the Rossiya faction has changed recently. What brought this about? And will it mean the resignation of the faction's leader, S. Nikulin, and a certain reorientation of positions of this parliamentary bloc, for after this follow changes in the membership of the Coordination Council of the RPK (RDK) [Republican Party of Crimea (Republican Movement of Crimea)]. Here is how questions from our flash poll were answered by the new chairman of the Rossiya faction, Yuriy Podkopayev, and its former leader, Sergey Nikulin.*

Yu. Podkopayev: The replacement of the chairman of the faction was brought about by the fact that Sergey Vladimirovich Nikulin announced that he has too much work in the permanent commission and therefore will resign. The faction valued Sergey Vladimirovich's services and thanked him. Then there was a natural change. You know that subsequently he was removed from the Coordination Council of the Russian Party, but it is still too early to draw far-reaching conclusions from this. And the faction still holds its previous positions.

S. Nikulin: There were many reasons for the change in leadership of the Rossiya faction, and they probably included a certain realignment of forces within the faction and a certain rethinking of the situation that has now developed in Crimea, in Ukraine, and beyond and a certain influence of intraparty relations on the affairs of the faction and in the Supreme Council....

My convictions have not changed. I must interpret many things and therefore today I am an independent deputy. Independent, we shall say, of membership in any faction. But there are also moral factors, including convictions on which I undoubtedly rely, and responsibility to myself and to the people.

Well, we must give them their due, and politicians are still politicians. But there is also the opinion of political observers. They sometimes express presumptions that S. Nikulin's withdrawal from the Rossiya arena and his reestablishment in the main leadership council of the RPK (RDK) was a tactical move. Let us recall that many leaders have had to disappear into the shadows when things get hot. But time will tell whether or not that is the case.

Liberal Party Seen With Bright Future

954K0477A Kiev MOLOD UKRAYINY in Ukrainian 31 Jan 95 pp 1-2

[Article by Olena Hubina under the "Serious Politics of the Forty-Year-Olds" heading: "Soskin Has Become Lanovyy's Superior. In the Party"]

[FBIS Translated Text] The greatest sensation of the second congress of the Liberal Party of Ukraine [LPU] may have been the fact that Volodymyr Lanovyy, the well-known economist, joined the party by submitting his application during the actual proceedings.

"Most likely, new elections are in the air," is how some journalists characterized this event.

The election of Oleh Soskin, another prominent economist, as president of the LPU was no surprise; both the party and the press had been prepared for this in advance.

"The time of loner-politicians is over. We are embarking on a period of political currents and parties," is how Soskin explained the sharp turn in his own career. He predicts the next parliamentary elections will come "in the fall of 1995 if the worst comes to the worst and in the spring of 1996 if things go well."

Things did not go very well for political parties in last year's elections. Although the majority of members of the majority of parties ran for parliament, only the Communist Party won a conclusive victory. Its electorate is concentrated in the Eastern region—in Luhansk and Donetsk Oblasts. But the Liberal Party took second place in this "cradle of the Reds." And therein lies one of the paradoxes: The Communist Party is known as the party of the lumpen [proletariat], while the Liberal Party is regarded as the party of the rich.

The Liberal Party in Luhansk made a sharp turn. Its members were elected mayor and deputy mayor of the oblast center. Another businessman ran for the office of chairman of the oblast council, but, as he puts it, fortunately lost. "It would have been terrible had I been elected," he says of the situation.

And the situation is indeed unusual. Will two Liberals change anything in the city? With the help of the old "dependable" team from Communist times that they have to head? Two volunteers who broke out ahead and only later realized what kind of responsibility they assumed. People will now say that the Liberals came to power and ruined everything. As a matter of fact, others, such the Republicans or Democrats, the Christian Democrats or the Social- Democrats, can find themselves in the same situation tomorrow. And they will break their heads against the walls of the old nomenklatura ideal until a new election law is passed. When an election is fought by a party, it prepares a team and takes responsibility for victory.

The Liberal Party of Ukraine was born in Donetsk. For a long time it was known exclusively as "Markulov's party." Or the "party of the heavy wallets." Because there is a fundamental belief that only the rich can afford to support the ideas of liberalism. That is—freedom of the individual, the right to private ownership. Those parties that are "for the people" for the most part talk about a social safety net.

But there can be different approaches to providing a social safety net. If we take a glimpse at the heights of macroeconomics, we will see that there are social programs for the poor, the sick, and the elderly that are financed from the budget. The budget gets its revenues from taxes. These can consume 90 percent of all income as is the case under existing law. And which, in violation of the law, everyone tries to avoid paying. However, there is another way: giving the "green light" to the growth of national enterprise and imposing moderate taxes. If the laws are normal, will normal people find it necessary to break them?

Oleh Soskin has long been popularizing the idea of a sharp decrease in taxes. The "rich" are not the only ones for whom this is important. Because tomorrow we may all become owners. In the process of privatization, for example. The Liberal Party envisages yet another way for us to grow rich—through land reform. For example, the state creates a special peasant or land bank and puts it in charge of transactions involving land. At the same time, legislation is passed securing the right of each citizen of Ukraine to own or use a certain parcel of land. The share of those who do not use land is to serve as the source of dividends for the bank.

"To what extent can Oleh Soskin's views now be regarded as the party line?" wondered the journalists. But it seems that they can be so regarded, because on the eve of the congress Soskin visited the party's centers in several oblasts. Party members supported his approach to the way in which market reforms should be conducted. Even in Donetsk, which sees itself as "the capital of liberalism"—of the LPU's 15,000 members, this oblast accounts for 6,000. It is therefore no accident that the intention here was to elect one of the "locals" as the new party president. But now the party is moving away from "monopoly ownership" by Donetsk residents, inasmuch as it has set itself the goal of becoming a national party.

And, right now, its goal is to transform liberal-conservative ideas into the leading ideas in Ukraine. LPU members claim that solid grounds already exist for this prospect to become a reality. According to them, in the Donbass region these ideas have gained popularity among the corps of directors, and even the directors of the defense industry ["oboronka"] are interested in them.

However, party members maintain that they count on support from the middle strata of the population. Markulov described himself as a rich man. Soskin says that he belongs to the middle stratum of society. And he wants there to be as many people as possible in this category. He believes that private property helps a person to become free. The state should protect this freedom and get out of property relations.

Last year's elections broke down the schematic division of the zones of influence of various political parties in Ukraine. Most parties now find themselves in such a crisis that they cannot even hold congresses at which to analyze the results, because they have no idea what future to discuss at these gatherings. According to Soskin, two vectors of social forces have now emerged, and they are gaining in importance. The Social-Democratic and the Liberal- Conservative. The Social-Democrats should dislodge the Communist- Bolsheviks on the left flank, and the Liberals should take over the right flank.

Against the background of such political changes, the Liberal Party congress appears optimistic. Despite the fact that the first president of the LPU, Ihor Markulov, sent his greetings from... Washington, where he currently resides.

There is still another circumstance that contributes to the optimism. The average age of the congress delegates was forty. That is also Oleh Soskin's age. Maybe the time has now begun when the generation whose outlook on life was not distorted in childhood by war and the postwar famine is entering serious politics in earnest?

Meshkov Lags in Presidential Election Poll

954F1244B Simferopol KRYMSKAYA PRAVDA in Russian 4 Feb 95 p 1

[Report by N. Kiseleva and Ye. Khan, Laboratory of Sociology of the Crimean Center of Humanities Research: "The Sociology Service of the KTsGI Reports: Tired of the Powers That Be"]

[FBIS Translated Text] For Crimeans January is filled not only with their favorite popular and religious holidays but also with political anniversaries. The anniversary dates both of the formation of the republic itself and of the election of its first president fall in the first month of the year. Concerning the latter event a public opinion poll was conducted by the Crimean Center for Humanities Research.

During 20-30 January 1995 more than 1,500 city and rural residents of the peninsula when answering the question of workers of the KTsGI [Crimean Center for Humanities Research] were made to look back from the position of the present day and make adjustments to their choice of last year.

It must be admitted that the name N. Bagrov today would end up on the ballots of the second round of voting, but the name the voters would see in alphabetical order after it would be not Yu. Meshkov but the leader of the Communists, L. Grach. And the latter's chances of winning would be greater.

I would like to emphasize that the place of residence has a certain impact on the political sympathies of the Crimeans. The greatest confidence in the current president is felt by residents of Krasnogvardeyskiy Rayon (first place—19 percent) and the former all-Union children's health spa—Yevpatoriya, where he shares first place with L. Grach (23 percent each). Yu. Meshkov ended up having the fewest supporters in Alushta (0 percent).

In the periodical press there is now a version to the effect that "someone" is trying to rehabilitate the deputy speaker of the Supreme Council of Crimea, N. Bagrov, in the political arena. Data from KTsGI polls show that the role of this rehabilitator is being played by the people of Crimea themselves. N. Bagrov has a stable constituency with a slight tendency toward growth (see KRYMSKAYA PRAVDA, 27 September 1994). And in certain steppe rayons, for example, Krasnogvardeyskiy, he has gathered five times more votes than L. Grach.

But regardless of how the opinions may develop in the Crimean province, the results of the elections in the republic, as a rule, coincide with the position of residents of the capital. And respondents from Simferopol gave preference to the currently popular leader of the Communist Party. It must be admitted that in Crimea as a whole L. Grach has outstripped not only all of the ex-candidates for president, but also the president himself. Data from the poll, which could make former or current individual public figures either happy or sad, in general do not create a rosy picture. The majority of Crimeans, tired of the political and economic situations and other problems, expressed a negative attitude to everyone on the list, saying either that they would not participate in the hypothetical election campaign or that they would cross out all the candidates.

The results of the study show, paraphrasing Napoleon, that the Crimeans have not forgotten anything but have already learned something.

If elections for president of the Republic of Crimea were to be held today, who would you vote for?
Would cross out all of them—32.0%
Would not participate in the voting—24.0%
For L. Grach—16.1%
For N. Bagrov—11.1%
For Yu. Meshkov—10.2%
For S. Shuvaynikov—4.7%
For I. Yermakov—1.7%
For V. Verkoshanskiy—0.2%

Counterintelligence Successes Against Economic Crime

MM1302161995 Moscow ROSSIYSKAYA GAZETA in Russian 11 Feb 95 First Edition p 6

[Article by Sergey Korotchenko from "Voice of Ukraine" page: "Counterintelligence Makes a Profit"]

[FBIS Translated Text] In the difficult economic conditions in which the state finds itself, staffers of the Ukrainian Security Service, as well as performing their own functions, are helping enterprises in their efforts to escape from the economic crisis. In particular, they investigate foreign partners with whom hard currency contracts are being concluded, assist in the recruitment of investors for the Ukrainian economy, and prevent the importation of substances into Ukraine when they are injurious to the health of the population.

Ukrainian Security Service staffers succeeded in helping our enterprises conclude economically advantageous agreements with foreign partners worth a total of nearly $3 billion and in preventing the signing of more than 110 unprofitable contracts with foreign firms.

For instance, during the construction of a dairy complex by a foreign party, Ternopol counterintelligence officers prevented losses to the state totaling $11 million. The foreign entrepreneurs were intending to fleece us.

At the suggestion of the Security Service, 18 commercial structures were stripped of the right to conduct export transactions.

Staffers of the Ukrainian Security Service Dnepropetrovsk Oblast Directorate put a stop to the illegal activities of a group of representatives of commercial structures who had formed an organization to fraudulently obtain credits through bogus firms. Since the beginning of the year they had obtained credits worth more than 130 billion karbovantsi in that way. The criminals were arrested and they face criminal proceedings.

During operational investigations local counterintelligence officers, working with customs officers, stopped the attempted illegal export of food commodities worth a total of more than 2.5 billion karbovantsi. Moreover, they prevented damage to the Kherson "Priboy" Plant totaling around 200 million karbovantsi.

The leaders of the "Orion" Concern's Ukrainian-German "Vinisin" Firm in Kalush, Ivano-Frankovsk Oblast, face prosecution for tax evasion. In May-September 1994 alone they failed to pay around 60 billion karbovantsi in taxes.

On the basis of materials supplied by the Ukrainian Security Service Vynnitsa Oblast Directorate, the local tax inspectorate recovered 836 million karbovantsi for the state budget from the Ukrtainian-Italian "Luch" Joint Venture because of financial and economic irregularities.

Investigators and judges have plenty of work to do. Local residents Sopolyuk, commercial director of the "Nadezhda" small enterprise, and Dmitruk, who is unemployed, were imprisoned for extorting $680 from a resident of Kalush.

Someone in Ternopol was using threats of violence in an effort to extort a sum of money from a college student, who turned to the local Ukrainian Security Service Directorate for assistance. A team of operatives arrested the extortioner. He turned out to be a resident of the oblast center, who had recently served time in prison for committing a crime. He was handed over to the police, who have instituted criminal proceedings under the relevant articles of the Ukrainian Criminal Code.

Economic Issues

Kuchma Urges Vigorous Action to Reform Economy

LD1402100495 Kiev Radio Ukraine World Service in Ukrainian 0600 GMT 14 Feb 95

[FBIS Translated Text] On 13 February, a call for balanced, but vigorous and resolute actions to reform the country's economic and political system defined the content of a speech by Ukrainian President Leonid Kuchma at a conference in Lvov with Lvov Oblast's economic managers.

One of the important directions of this work, the president said, is a structural reconstruction of the economy, changing enterprises' activity to priority production that is important to the country, and the closure of those enterprises which have outlived their use and are incapable of producing needed and competitive products.

Leonid Kuchma pointed out the necessity of a social direction in the economy and all-round support for those of its sectors, where one may obtain a quick return, in particular for rural areas.

He stressed the importance of privatization, especially small-scale privatization, and implementing it not for the sake of privatization itself, but for the sake of business, and drew attention to the topicality of providing fundamental reconstruction, with mechanisms for social protection of the population.

Touching on issues connected with reforming the political system, the Ukrainian president stressed the necessity of developing an efficient vertical of executive power and a clear delimitation of legislative and executive power. He noted the fruitful work in this direction by the coordinative commission, which has already found compromise decisions on many controversial issues. The resolution of cardinal issues with regard to the development of Ukraine, Leonid Kuchma said, to a considerable extent depends on close cooperation between the central and regional structures of power.

1994 Export, Import Figures Released

AU1302123895 Kiev HOLOS UKRAYINY in Ukrainian 10 Feb 95 p 5

[Unattributed report: "Trade Is a Good Thing"]

[FBIS Translated Text] In 1994, Russia was Ukraine's greatest trade partner. As INTERFAX-UKRAYINA was told at the Ministry of Statistics, countries of the former USSR accounted for two-thirds in Ukraine's foreign trade turnover in 1994; as for countries of the "far abroad"—one-third.

The volume of Ukrainian exports far exceeded that of imports.

According to the Ministry of Statistics, last year, Ukraine's main trade partners from among the countries of the former USSR were, in terms of exports and imports, the Russian Federation—respectively 39 percent and 3 percent; Belarus—6 percent and 3 percent; Moldova—5 percent and 1 percent; Turkmenistan—0.3 percent and 7 percent; Kazakhstan—1 percent and 2 percent; and Lithuania—2 percent and 1 percent.

Ukraine's main partners on the world market, in terms of exports, were China (6 percent), the United States and Switzerland (3 percent each), Italy, Germany, and Hungary (2 percent each).

Of particular significance in Ukraine's import trade operations on the world market were Germany (10 percent), Poland and the United States (2 percent each), the Czech Republic and Switzerland (1 percent each).

Economic Report Notes 'Worst Performance in Years'

WS1302132995 Kiev INTELNEWS in English 1950 GMT 12 Feb 95

[Report by Oleh Borsuk]

[FBIS Transcribed Text] Last year Ukraine's economy recorded its worst performance in years, with all indicators, including the Gross National Product, and industrial and agricultural output plunging to record low figures, according to an annual report from the Cabinet of Ministers.

Meanwhile, in spite of the extremely bad indicators posted in 1994, economists express hope for 1995, as the country, after three years of reluctance, has finally started economic reforms.

Ukraine's industrial production fell by 28 percent in 1994, which is a sharp increase from the 8 percent decline registered in 1993, 6 percent in 1992 and 5 percent in 1991.

The GNP shrunk by 23 percent last year to hit KBV [karbovantsi] 1,138 trillion (more than US$10.36 billion at the official exchange rate), according to the Statistics Ministry. In the last year Ukraine's economy produced KBV 967 trillion (US$ 8.8 billion) of income—24.5 percent less than in 1993.

The country's industry reversed its month-by-month growth in December 1994, to exhibit a decline of 7.3 percent from the prior month. This is a reversal of the month-by-month industrial growth registered in September, October and November, being 10 percent, 10.4 percent and 1.1 percent, respectively.

Several factors contributed to the industry's decline in December, including natural gas supply cuts by Turkmenistan—Ukraine's second largest natural gas supplier after Russia. However, the gas payment schedule—Turkmenistan's main complaint against Ukraine—and debt restructuring have since been resolved after Turkmenistan President Saparmurat Niyazov's visit to Kiev in early 1995, allowing the gas to flow again.

Consumer inflation severely hit the market in 1994. According to ministry's report, annual inflation shot reached 401.1 percent last year. The last three months of 1994 contributed the most to last year's inflation. Annual inflation in 1993 was much worse—10,156 percent.

The monthly inflation rate dropped to 28.4 percent in December, from 72.3 percent in November and up from the yearly—and post independence—low of 2.1 percent in July. The governmental moves to cut state subsidies energy, food, transportation and housing caused inflation to soar in late 1994.

The country's agriculture was severely hit by unfavorable weather conditions in 1994, which resulted in a 17 percent output drop from the previous year. Specifically, the plant growing industry fell by 25 percent, and the livestock industry dropped by 7 percent.

As one of the few positive signs registered in 1994, Ukraine switched from a foreign trade deficit to a surplus at year end, according to the statistics ministry. Ukraine exported US$9.29 billion worth of goods and services to other markets in the first 11 months of 1994, while imported US$9.27 billion, achieving a US$23.8 million foreign trade surplus, a substantial improvement over the US$321.5 million deficit recorded for the first 10 months of 1994. Increased exports to non-CIS countries helped to cut the deficit.

Meanwhile, imports of nuclear fuel to run Ukraine's nuclear power plants, as well as oil imports by non-state companies and authorities were not included in the statistics, which in reality means Ukraine continues to be a large debtor.

Latest Round of Price Increases, Effects Detailed

WS1302132895 Kiev INTELNEWS in English 1950 GMT 12 Feb 95

[Report by Ed Zwirn]

[FBIS Transcribed Text] The latest round of inflation has hit consumers hard, with the political and economic repercussions being registered throughout the country.

Massive government price increases came on the first of the month, when the government launched another round of the price liberalization it started last October. Prices increased markedly Feb. 1 for all public transportation and utilities, and rents rose on state-owned apartments.

The predicted increase in bread prices, however, failed to materialize—perhaps because the government was afraid of arousing the further anger of the left, for whom cheap bread has always been sacred.

The left nonetheless responded with outrage as soon as the increases were announced; with Communists calling for the impeachment of President Leonid Kuchma and a coalition of leftist parties threatening a nationwide program of strikes, protests and civil disobedience.

"President Leonid Kuchma has struck a new crushing blow on the working people," said a joint statement issued Jan. 31 by several leftist parties. "He and the forces whose interests he defends must leave the political arena."

Parliament may have subsequently made matters even worse last week, when the left took advantage of a temporary walkout by center and right-wing deputies to pass, by a margin of 246 to 2, a KBV [karbovantsi] 25 trillion credit emission intended primarily to compensate the downtrodden masses with social protection measures.

It remains to be seen whether the inflationary spiral that may result will ironically wipe out any gain for poor people intended by the parliamentary action and cause another round of devaluation for the national currency, which has been stable for the last several weeks.

In the latest development, Parliament on Thursday debated the Cabinet of Ministers price liberalization decree that started it all last October and ordered the government by Feb. 15 to deliver a report on the current economic situation in Ukraine and present it with a plan to overcome the economic crisis.

"It seems our government is carrying out economic reforms not for the Ukrainian people, but for the International Monetary Fund when executing IMF demands on price liberalization," Natalia Vitrenko, a Socialist deputy who is an economic advisor to Parliament Speaker and Socialist Party leader Oleksandr Moroz, said during Thursday's debate.

For the most recent two week period, the cost of living as expressed in karbovantsi rose about 15.2 percent; going from KBV8,098,850 Jan. 26 to KBV9,327,800 Feb. 9.

Due to a slight deterioration of the dollar relative to the karbovanets, dollar holders made out even worse over the period; with the price of the basket of goods and services increasing by about 17.6 percent—from US$55.85 to US$65.69—hitting its highest level since the index started on Feb. 24, 1994. Dollar holders, however, should expect to recoup at least some of this loss if the karbovanets rapidly depreciates—as expected—due to the monetary emission, which was ordered by Parliament to occur by the end of the month.

The overall index since measurements began is 367.6 percent, as expressed in the local currency. The index now measures 467.6, with the base period equal to 100.

The cost of living in dollars increased by 20.2 percent over the same period, with the dollar equivalent index now measuring 120.2.

Major components of the karbovanets price increase registered over the past two weeks came mainly in the form of increased fares for public transportation. A monthly metro ticket rose 366.7 percent; a train ticket to Lvov, 166.7 percent; and a train ride to Moscow, 50 percent.

Food prices also increased significantly over the period; led by a 25.8 percent increase in the price of milk, a 15 percent increase in the price of sugar, a 14.6 percent increase in the price of eggs and a 12 percent increase in the price of butter. The only good news on the entire index was a 13.3 percent drop in banana prices.

Although—due to the fact that most Kievites lack official residence permits and are therefore obliged to rent their apartments on the open market—the consolidated price for a one-room apartment rose only slightly over the past two weeks, the monthly rent on a state-owned apartment rose by 20 percent.

Although this may have aroused the political ire of many Ukrainians, this increase will probably have little practical effect on the many Kievites who have the right papers and illegally lease out these apartments for hard currency at whatever price the market will bear.

Coal Industry Attempts To Keep 'Afloat' Viewed

WS1302143195 Kiev VYBIR in English 0900 GMT 13 Feb 95

[Report by Petro Svichka—from the "Ukrainian News" feature]

[FBIS Transcribed Text] The Ukrainian coal mining industry has never fallen so deep down as today. Five years back, the annual coal output in this country was 180 mln. tonnes (t.), while in 1994—just 94.4 mln. t. That happened without any strikes (the attempt of the all-Ukrainian miners strike in the spring of 1994 failed) or social explosions. The reason is that labor productivity in the industry decreased and reached the level of the 1930's. At present, social tension in Donbass mines somewhat grew, since in 1994 the wages payment delays ranged from 20 to 60 days.

On February 3, 1995, speaking to the participants in the meeting held in Donetsk and devoted to the mining industry problems, President Kuchma stressed that "coal is number one fuel for Ukraine." Really, coal is the only domestic energy source able to fully meet the demands of local heat-generating industry. The prospected coal reserves in this country amount to 57.7 bln. t.—quite enough for 386 years. Seems good, but... According to the state plan for 1994, miners had to produce 127.7 mln. t. of coal but the plan was fulfilled only by 74.2 percent. Last year saw the biggest slump in Ukrainian coal industry (in 1990 the output was 164.8 mln. t., in 1993—113.7 mln. t.).

The main reason is the poor technical condition of mining equipment. At the end of 1994, there were 242 mines and open cuts in Ukraine. Some 30 percent of them were commissioned before WWII, almost 50 mines—prior to 1917. Only 27 mines were retooled after 1970. Said L. Madudin, consultant of the mining industry: "Such obsolete equipment is used only in Ukraine, not elsewhere in the world." According to him, West German mines are equipped with the 5th generation machinery. Compared with German continuous miners, our KM-87 are like the locally produced lamp-operated TV "Record" versus the state-of-the-art Japanese "Trinitrons." In Germany, the diameter of underground workings is 25 square meters, in the Ukrainian mines—9-11 square meters. It is no wonder that in 1994, 27 German mines produced 106 mln. t. of coal, while 242 Ukrainian mines—only 94.4 mln. t. On average, one German mine annually produces 4 mln. t. of coal, whereas in Donetsk region 67 percent of mines annually produce 600,000 t. of coal each, 22 percent—less than 300,000 t.

Old mines with low productivity are a real burden pressing upon the coal-mining industry. It was stressed at the said meeting that the wholesale prices for some grades of coal exceed the world ones but do not cover the industry's expenses, and that further growth of coal prices has no sense at all.

The coal industry administration tries to do something to improve the situation. At the beginning of 1994, the state coal industry committee selected 21 low-efficiency mines (12 in Donetsk Oblast). It was planned to gradually remove those mines from service if they proved to be unable to reach the fixed performance levels and to decrease the coal cost. Since that time, the committee's leadership was replaced, but the new administration took even a harder approach to unprofitable mining enterprises. Deputy coal minister O. Poshtuk stated that such mines would be closed down pretty soon, that there is no sense to support unprofitable enterprises. Subsidies to such mines badly hit the performance of other enterprises. A vivid example is the situation in the mining amalgamation "Ordzhonikidzvuhillya" in Donbass that includes 10 mines. The cost of coal in one of the biggest mines of this amalgamation ("Red October") twice exceeds the average coal cost in the remaining nine mines. The coal committee believes that the efforts on "keeping the Red October afloat" will result in "sinking" of the entire amalgamation. Therefore, the "Red October" is being removed from operation and its 2,200 workers are being transferred to other enterprises. Last year, in central Donbass the coal output decreased by 30 percent as compared to 1993, while the number of workers and employees factually remained intact. Only in 57 out of 242 Ukrainian mines, the price of coal exceeds its production cost.

Speaking at the said meeting, coal industry minister V. Poltavets informed that 12 unprofitable mines with total capacity of 3.2 mln. t would be closed down this year.

However the process of closing such mines is hindered by social factors. For instance in the "Red October," there are 630 miners approaching the retirement age. Today, a miner receives about 10 mln. karbovantsi per month—a relatively small sum, but still enough to feed the family. The amount of pension is several times smaller than that of wages. As a rule, in miners' settlements there are no other enterprises except mines. Quite a few retired workers continue to work at mines. Today, there are over 70,000 of them in the industry.

The coal industry ministry says it is going to help the unemployed miners, to maintain the social infrastructure of miners' towns and settlements that before was subsidized by the industry itself. The government will also finance the rescue teams and geologic prospecting services. Long-term credits (up to 6 months) will be given to the industry to buy new equipment and to pay wages. Let us hope the government will not fail to do this, otherwise...

Otherwise the terrible consequences of mass unemployment among miners are easy to predict.

Belarus

President on Implementing of CIS Summit Accords

WS1302152295 Minsk BTK Television Network in Belarusian 1900 GMT 11 Feb 95

[Announcer-read report over video]

[FBIS Translated Excerpt] The Belarusian delegation participating in the meeting of the heads of CIS states and governments returned home late last night.

[Begin recording] [Belarusian President Alyaksandr Lukashenka, in Russian] Regarding the goals of the meeting, we have surely achieved them. Yet again, we signed a heap of documents. As for me, I am not quite assured that these documents will be implemented, because all of them were signed either with reservations or with some other considerations.

In general, there were two sets [of issues]. The first set, which refers to cooperation, is primarily of a political nature; there is only a little of economics there. The second set of issues refers to collective security. [end recording] [passage omitted]

Parliament Chairman: Government 'Rushed' Russian Accords

LD1302175095 Moscow INTERFAX in English 1652 GMT 13 Feb 95

[From the "Presidential Bulletin" feature: compiled by Nikolai Zherebtsov, Andrey Petrovsky, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Chairman of the Belarusian Parliament Mecheslav Hryb said he believed that the government "rushed" with enacting the Belarusian-Russian agreements signed in Minsk on January 5 (the agreements on customs union and Russia using the strategically important facilities on Belarusian territory during 25 years. The facilities include a station for early warning about missile attacks in Gantsevichi and the controlling point for the Russian nuclear submarine fleet in the Baltic Sea and North Atlantics in Vileika).

Hryb told Interfax in an exclusive interview that he shared the position of several parliamentarians thinking that the government had exceeded its powers when enacting the bilateral agreements and violated the law on presence of Russian troops in Belarus in accordance with which they ought to be withdrawn from Belarus before 1996. Hryb said a special council of legal experts had examined the problem and decided that the documents must undergo ratification.

At the same time, Hryb said he was against raising the issue of dismissing Mikhail Chyhir as the prime minister for the violations of legislation. He said Chyhir just did not have enough experience in such matters. IF Note: Leader of the opposition Belarusian People's Front Zenon Poznyak said that when enacting the Russian-Belarusian agreements without ratification by the parliament the Belarusian government was "premeditatedly destroying statehood in favor of some Russian political forces."

Hryb said there were "two ways out of the situation: Either amend the law on presence of Russian troops or bring the inter-governmental agreements in line with it." He said the Belarusian parliament was very unlikely to extend the term for the presence of Russian troops in Belarus.

Hryb said that in general he was against concluding long-term agreements between countries. He explained his position by commenting on the USSR-Middle East long-term agreements now hindering quick and efficient reaction to the changing political situation.

Hryb said it was hard to guess which would happen in 25 years. He said it would have been sufficient to conclude an agreement for a year or several years and then automatically extend it if the other party had no objections.

He said that in any case a very careful analysis was required to understand what could be gained or lost.

(The exclusive interview with Mecheslav Hrib will be continued in the next edition of the Presidential Bulletin).

New Party Will Promote 'Russian Idea'

WS1402120295 Minsk BELAPAN in English 1600 GMT 13 Feb 95

[FBIS Transcribed Text] According to information received, on February 18, the constituent conference of the Russian National Union (RNU) is expected to take place in Minsk. The conference will be attended by about 60 delegates who will pass the regulations and the program of the party. At present it has 10 local organizations in four regions of Belarus. The chairman of the RNU organizing committee Valeriy Dzerkach holds that his party is a party of the future. In his opinion, the 21st century will be notable for the development of the Russian idea, which is propagated by the RNU. The main point of it is the triunity of the Russian nation: Russians, Ukrainians and Belarusians. However, according to him, his party has nothing in common with the Slavic Assembly "Belaya Rus." Mr. Dzerkach refused to cite the exact number of his supporters, but pointed out that the RNU would have no problem in finding the necessary 500 people for registration. The Union intends to actively participate in the forthcoming parliamentary elections.

Energy Minister Details Level of Debt to Russia

LD1302195295 Moscow INTERFAX in English 1802 GMT 13 Feb 95

[FBIS Transcribed Text] Minsk, Feb 13 (PIA-INTERFAX)—By February 9 Belarus's arrears for natural gas imported from Russia reached nearly 2.63

trillion Belarusian rubles, or nearly $225 million at the Belarussian National Bank exchange rate, according to a report by the former Soviet republic's Fuel and Energy Ministry.

As of January 19, Minsk's gas debt to Moscow stood at 2.3 trillion Belarussian rubles, or a little more than $198 million, said the report, obtained by the PETROLEUM INFORMATION AGENCY.

The country's debt for fuel oil rose from 96.35 billion Belarussian rubles around mid-January to 224.32 billion on February 9.

Belarus also has arrears to pay for electricity: 100 billion Russian rubles to Russia and more than $9 million to Lithuania.

The republic in 1994 consumed 40.2 million tonnes of fuel, 88.4 percent of what it consumed in 1993, 35 million tonnes of it being imported fuel - 86.4 percent of what was imported in the preceding year, according to the Statistics and Analysis Ministry.

Belarus itself produces only 13 percent of the energy it needs. The rest comes from abroad, mainly from Russia.

In January this year, the republic overfulfilled its plans for the purchase and production of oil products, the Belnefteprodukt concern, which runs the production and marketing of oil products, said in a report, obtained by the Petroleum Information Agency. Thus, Belarus imported 985,200 tonnes of oil last month - 34.9 percent more than in January 1994. Two oil refineries, ones at Mozyr and Novopolotsk, in January made 147,500 tonnes of gasoline, 241,200 tonnes of diesel fuel and 518,100 tonnes of fuel oil, or respectively 41, 39 and 64 percent up on January 1994.

Cooperation With Tanzania in Extracting Gold, Gems

WS1302151995 Minsk BTK Television Network in Belarusian 1900 GMT 7 Feb 95

[Video report by U. Darashevich and Z. Simaha—correspondents identified by caption]

[FBIS Translated Text] Diamonds for Belarus—such is the motto of recent work conducted by the Institute Belhea [Belarusian Geology] of the Academy of Sciences. The entrails of the earth are not abundant in precious stones and metals everywhere. Our Belarusian plain has not been lucky enough to have them. South Africa holds first place in extracting diamonds, gold, and precious stones. It is no mere chance that our domestic specialists have directed their eyes toward the black continent.

Specialists from the institute have just returned from Tanzania, where they held negotiations on cooperation in gold and diamond extraction.

[Begin recording] [Darashevich] Vital Andreyevich, how will our cooperation with Tanzanian specialists develop?

[Vital Andreyevich Maskvich, director of the Institute Belhea] I think that the steps taken by us since last May show, in principle, a high effectivity of undertakings planned together with the State Committee for Precious Metals and Stones.

[Unidentified attendant] Explorations have been conducted; we have already received licenses for conducting exploratory work at eight fields.

[Darashevich] It is very good that Belarus will receive Tanzanian gold. But what about our [domestic] gold? Have we abandoned extracting it? Will we continue to extract it?

[Maskvich] This year we will try to open, speaking conventionally, initial fields for extracting gold. By now we are preparing an additional kilogram of gold to pass to the (?depository). [end recording]

All these sapphires, rubies, emeralds, and diamonds from far away Tanzania have something really exclusive since there is worldwide demand for them. They embody eternal beauty and priceless wealth, and they cannot find proper use on our globe. [sentence as heard]

It is possible even today to speak seriously about the creation—if not now, then surely in the immediate future—of a state fund for gold, diamonds, and precious stones.

IBRD Grants Large Loan to Forestry Industry

WS1302134595 Minsk Radio Minsk Network in Belarusian 1300 GMT 13 Feb 95

[FBIS Translated Text] Forestry has become the first of our country's industries to receive investment funds from the International Bank of Reconstruction and Development [IBRD]. The IBRD loan is quite impressive—$42 million. It will be spent on the development of a scientific basis and new technologies for growing trees, as well as on the protection of forests against fire and infestation.

Moldova

Foreign Minister Popov Outlines Policy

LD1302184495 Moscow INTERFAX in English 1606 GMT 13 Feb 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Chisinau, Feb 13 (INTERFAX)—The development of bilateral relations with CIS countries, first of all, with Russia, Ukraine and Belarus, is still priority of Moldova's foreign policy, Moldovan Foreign Minister Mikhail Popov told Interfax in Chisinau.

He said that this thesis has become central in "the foreign-policy concept", which was approved recently by the Moldovan Parliament. "We proceed from the fact that only given active cooperation with these countries, Chisinau may overcome the present economic crisis," said the minister.

This does not mean, however, said Popov, that Moldova "confines itself only by relations with republics of the former Soviet Union".

Among foreign-policy "priorities", the minister also named the "development of relations with Romania, the United States, Germany, France, Italy, Britain and Canada."

He said that relations with Japan, China, Iran, South Korea, South Africa, Egypt, Mexico and Brazil are also of great importance for Chisinau.

A separate part of the concept, said the Moldovan foreign minister, is devoted to the development of Chisinau's multilateral relations, including cooperation with international political and economic organizations, for example, with the United Nations, the International Monetary Fund and the World Bank.

This section, said the minister, says about the republic's regional and sub-regional cooperation within the framework of the OSCE, the Council of Europe, the European Union, NATO, the Council of North Atlantic Cooperation, the Danube Commission and other relevant organizations.

"We proceed from the fact that we must develop mutually advantageous cooperation both on the bilateral basis and within the framework of international organizations," said the minister.

He said that in line with the concept, Chisinau's foreign policy will be based on the principles of the non-use of force or threat of force, peaceful settlement of international crises, non-interference into internal affairs of other countries, the inviolability of borders and territorial integrity.

Popov said that the concept proclaims "the principle of permanent neutrality" of Moldova. "Thus we reject to be involved in armed conflicts, as well as in political, military or economic unions which are aimed at preparations for war," said the minister.

He said that in line with this principle, "Moldova will not permit the use of its territory for the deployment of foreign military bases and pledges not to store, nor manufacture, nor test nuclear weapons."

Popov also said that the concept does not mention the deployment in Moldova of the 14th Russian Army. "We proceed from the fact that the agreement on its pull-out is already signed and will be implemented as scheduled."

Smirnov's Ban Not To Affect 14th Army Withdrawal

AU1302153295 Chisinau BASAPRESS in English 1930 GMT 9 Feb 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 9/2/1995—Dniester president Igor Smirnov's decree forbidding local organizations to participate in evacuating the 14th Army assets will not affect Moldovan-Russian negotiations on Russian troops withdrawal, Nicolae Osmochescu, Moldovan vice foreign minister, said to BASA. He pointed out that the decree was an outcome of the intensified negotiations. Osmochescu said that all 14th Army assets belong to Russia but during the 14th Army withdrawal 35 percent of the assets will remain with Moldova, as stipulated by the Moldovan-Russian Agreement. Part of the 35 percent will be transferred to Dniester. However, it is not yet known how much Dniester will receive, stated Osmochescu.

Editor Insists Lebed Called For Yeltsin Resignation

AU1302152895 Chisinau INFOTAG in English 1930 GMT 10 Feb 95

[FBIS Transcribed Text] Chisinau INFOTAG, 10/2/1995—Aleksandr Khavronin, editor of EKO KISHINEVA, disagreed with the sayings of General Aleksandr Lebed, commander of the 14th Army, who stated that his interview was the author's "pure invention," and a definite lie from the beginning to the end.

Today Khavronin explained to INFOTAG that after the interview was prepared, he sent it by fax to the Army commander. Lebed read it, after which said over telephone that everything was OK, and the material may be published in exactly that form.

The paper editor believes, that now Lebed "is taking his words back, because the situation in Moscow has changed."

Meanwhile, Aleksandr Lebed once again refuted the statements, published yesterday by EKO KISHINEVA, that he, allegedly, demanded Yeltsin's resignation.

The author of the interview, the paper's editor Aleksandr Khavronin, presented the quotation of Lebed's words as follows: "Criminal is that regime which sends hundreds of its citizens for sure death. The Russian president must resign, no matter if he took the Chechen decision by himself, or became a victim of palace intrigues."

Your correspondent asked Lebed how his facsimile signature with best wishes to the readers and to EKO KISHINEVA appeared in the paper. The general explained that he had really wrote the words to the readers, but that does not at all mean that he said the words published in the interview.

"The editor does not have either a recorded tape or the interview master copy with my written visa. He had turned our brief conversation upside down, and produced a large-size publication. I do not rule out that the man was acting on order of some political forces," Lebed said.

Lebed Renounces Title Awarded by Bender City

AU1302153195 Chisinau INFOTAG in English 1930 GMT 10 Feb 95

[FBIS Transcribed Text] Chisinau INFOTAG, 10/2/1995—The commander of the Russian 14th Army, Lieutenant-General Aleksandr Lebed, has renounced the title of "Honored Citizen of Bender [Tighina]" awarded to him by the municipal authorities a year ago for special merits in restoring peace in Dniester.

Lebed has officially notified the Bender authorities on his decision. Together with sending an explanatory letter, he returned the Diploma, the Memorable Band, and the symbolic key to the town.

In his letter, Aleksandr Lebed wished to the citizens peace and calm, expressed readiness to come for help in case of need. He explained his renunciation by the ever growing criticism to his address from behalf of the Dniester authorities and local radical political forces, as well as by the hounding in the pro-official mass media, who are thus revenging the general for his exposing Tiraspol leader's corruption and abuse of office.

Local observers are pointing out that Lebed had been criticized by Tiraspol and Bender both earlier and in 1994, already after the honorary title was awarded to him. However, the commander decided to renounce the title soon after a change of power took place in Bender, when key positions were given to reliable supporters of Igor Smirnov, president of self-styled Dniester Republic.

Black Sea Countries Discuss Avoiding Double Taxation

AU1302153395 Chisinau BASAPRESS in English 1930 GMT 9 Feb 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 9/2/1995—A meeting of Black Sea countries' experts regarding avoidance of double taxation ran from February 8 through February 9 in Chisinau. Experts from 11 countries, including Romania, Russia, Greece, Albania, Turkey, Georgia, Armenia, Moldova, etc. attended the meeting. Alexei Cemartan, Moldovan vice Finance Minister, told BASA that double taxation is a very acute problem which discourages trade and investments in all these countries. The participants in the meeting suggested modifying Black Sea countries' legislation and unification of fiscal legislation to avoid double taxation which will lead to intensification of foreign trade. Cemartan specified that Moldova signed agreements of avoidance of double taxation with Rumania and Poland; similar agreements are now being worked out with Belarus, Ukraine, Russia, USA, Turkey and Greece. The participants in the meeting agreed on creating a regional bank in Salonika [Thessaloniki], Greece, which will facilitate trade, mutual payments and investments.

Military Delegation Discusses Scholarships

AU1302171295 Chisinau BASAPRESS in English 1950 GMT 10 Feb 95

[FBIS Transcribed Text] Chisinau, BASAPRESS, 10/2/1995—The [word indistinct] Military Department will grant scholarship to five Moldovan citizens who are students in military schools in the Greek Republic. Recently an agreement on this was signed during the visit to Athens by a Moldovan Ministry of Defense delegation led by General Tudor Dabija, vice minister of defense. Viorel Cibotaru, head of the Ministry of Defense Press Service, told BASAPRESS that the delegation visited the Greek Terrestrial Forces Academy having students from 20 countries of the world among whom two students from Moldova. According to the Academy's faculty, the Moldovan students have shown the most remarkable results. During the visit the sides discussed other issues of cooperation between the military departments, said Cibotaru.

Kazakhstan

Paper Doubts Success of CIS Summit Accords

LD1302195095 Almaty PANORAMA in Russian 11 Feb 95 p4

[FBIS Translated Excerpt] Russian Foreign Minister Andrey Kozyrev said on 9 February at a brief meeting with journalists, that he had been delegated the right to announce the results of the joint meeting of CIS Councils of Foreign and Defense Ministers and border troops commanders. [passage omitted]

A restrained commotion followed the statement by Azerbaijan's foreign minister that neither of the documents on guarding internal and external borders reflected his state's interests, arguing that a considerable part of Azerbaijan has been occupied by Armenian units. To all appearances, it was as a result of the Azerbaijani diplomat's persistence that discussion of these two documents was postponed.

The effectiveness of the memorandum on peace and stability has also given rise to doubt among observers. Its adoption is unlikely to promote solutions to the numerous military conflicts, either on the territory of the CIS as a whole or of its signatories.

It can be assumed that it was the Russian representatives who insisted on changing the document's name, as the concept of a pact preproposes certain obligations. There has also been something of a cautious attitude to this peace initiative, given the number of CIS conflicts in which Russia is playing a leading role, the most graphic example being the development of the Chechen conflict.

Investigation of Resigned TV Chief Continues

LD1302150295 Almaty KHALYK KENESI in Kazakh 10 Feb 95 p 2

[Unattributed report: "Still on the Agenda"]

[FBIS Translated Text] Leyla Beketova, president of the Television and Radio Corporation of Kazakhstan, resigned [on 6 February]. It will be recalled that a Supreme Council temporary commission was set up to examine her activities as president of the corporation. Has the commission now completed its assignment? The president has left her post. Is it now justifiable to put this issue on the agenda?

We put these questions to a member of the commission, Deputy Valentina Sivryukova.

This issue is still on the agenda. The commission's final report and draft resolution are ready. We have not submitted them yet only because of the importance of the issues currently being considered, Sivryukova said. But sooner or later the matter will be considered. The commission based its work on the law. The work that has been done produced satisfactory results.

I would also like to say that the matter does not end with Beketova's resignation. She has left office, but while she was head of the Television and Radio Corporation she abused her official position and created conditions conducive to many breaches and violations of the law.

Therefore, even if we wanted it, we would not have the right to take the issue off the agenda. Moreover, if we drop this case, who can guarantee that tomorrow someone else will not do the same?

An appropriate solution should be found here. Only if this is done can we block the way to violations of the law. That is one of the Supreme Council's main duties as a legislative and law-protecting body.

Decision on Coal Miners Strike Imminent

954F1276A Almaty EKSPRESS-K in Russian 8 Feb 95 p 1

[Article by Stanislav Pesnev: "Money Mowing Down Our Ranks"]

[FBIS Translated Text] Karaganda—The future of the strike should be decided today at a plenum of the trade union of coal miners. Whether it has petered out or not is hard to say—13 of 21 mines are already operating. And indeed, at the remaining mines, the ones on strike, half the miners are working.

The miners have expressed themselves unequivocally. For example, the miners' newspaper of the Mine imeni Kostenko writes: "It has not broken down (the strike—S.P.). It has simply become clear to many that the lord of the manor is not about to emerge with his decision. We have to settle this among ourselves."

Indeed, stronger than all the threats was when miners at the Tentekskaya Mine, extremely rebellious but a feverish producer as well, received chits with their January pay—for 2,000 each. The men found it ridiculous. They cursed a bit, then changed clothes—for the mine face.

That same mine newspaper explains: "The ultimatum aimed at the government had no effect, because the miners did not raise a hand to take the life of the pearl of Kazakhstan—Karmetkombinat. But neither did the high governor generals of Almaty hasten to announce that the government had allocated money, that wages would be paid to all."

Then there is the following situation. Despite reports that foreign customers are to blame for the problems of Kazakhstan's coal miners, in fact this is not so. This EKSPRESS-K correspondent was provided complete information at the Karagandaugol Association as to who owes the Karaganda miners how much. And so it is not from Russia and Ukraine that we must get back money owed (they are paying up—we even owe them), but from our own, Kazakhstan clients. The debtors are Almaty, Altayenergo, Karaganda customers themselves. Karmet has settled up almost entirely. Myths of scheming by our neighbors only serve to illustrate the unfounded thinking of economists in the capital, who orient themselves only on the more or less stable exchange rate of the tenge. But prices are rising and production is falling!

To the credit of the miners, even with all the strikes they decreased production just 14 percent, while throughout industry in the republic the level of decline was 28 percent.

A major scandal has been flaring up these days in Karaganda surrounding material published in the newspaper INDUSTRIALNAYA KARAGANDA, according to which the directors of mines have not been paying wages, but have put funds in deposit accounts. EKSPRESS-K also quoted this report. Who is guilty—an imaginative journalist or the chief of the tax inspectorate who allegedly reported it—we do not know, but the board of directors and management of the Karagandaugol Production Association have filed suit in court against editor-in-chief S. Kemelbayev.

The indignant mines issued information that they do not now and never have had funds in deposit accounts. Deposits exist only at the Mine imeni Kostenko and Kirovskaya Mine, and they are not wages at all, but rather money from the sale of 15 percent of coal produced over and above the plan. It is the collective property of the labor collectives for expenditure upon their consent. In order to avoid handing out kopeks, the directorship decided, entirely openly and legally, to accumulate some money. They even gave the miners the deposit account numbers—nothing criminal about it. "We do not deserve reproach for the fact that we are wisely managing our own assets"—indignant mine personnel stated. There has been a great commotion, appeals being made by representatives of the mine technology community, deputies, virtually all leaders in the coal basin.

Of course, this entire scandal took place in an extremely strained atmosphere, put nerves on edge, and provided the pretext for derision by certain government communications subscribers from the capital, as if to say—is this what do with the money? And naturally, to once again turn down requests.

Money and those who manage it—what are you doing to people?

Companies Seek To Export Gas Via Russian Pipelines

LD0802163495 Almaty PANORAMA in Russian 4 Feb 95 p 5

[FBIS Translated Text] British Gas and Agip are seeking the Oil and Gas Ministry's permission to transport large volumes of gas to the West through Russian pipelines. Development of the Karachaganak natural gas deposit will entail a gradual expansion of production volumes. The government of Kazakhstan was hoping that the shift to full exploitation would be quicker, in order to promote the process of economic recovery.

British Gas and Agip consider that negotiations on the contract totally dividing up gas extraction at the Karachaganak deposit will take several years, since they want to get an unconditional obligation from Gazprom allowing them to transport large volumes of Kazakh gas to Western Europe through Russia's gas pipeline network.

Kyrgyzstan

CIS Talks, Tajik Peace Efforts Viewed

LD1302192395 Moscow INTERFAX in English 1654 GMT 13 Feb 95

[From the "Presidential Bulletin" feature: compiled by Nikolai Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] "A major and serious step forward, towards integration and confidence between the CIS leaders" was made at the CIS summit in Almaty, an advisor to the Kyrgyz president for internationals affairs, Ishenbai Abdyrazakov, told a briefing in Bishkek Monday [13 February].

In particular, Abdyrazakov highlighted the signing of the Memorandum on Maintenance of Peace and Stability saying the document created the basis for "preventing local conflicts and stopping them from spreading over the CIS."

On behalf of the Kyrgyz president, Abdyrazakov highly praised the Russian leadership's approach to the "settlement of the Tajik conflict." He pointed to the importance of Russia's "firm position," as long as its border guards remain the main factor of safety of the CIS southern borders.

In his answer to an INTERFAX question, Abdyrazakov remarked that the meaning of a wider UN involvement in the settlement of the "Tajik-Afghan crisis" was both to grant a higher status to the CIS peacekeeping forces deployed in Tajikistan and to ease the financial burden for the Russian budget.

Commenting on the outcomes of three Central Asian leaders' mini-summit, Abdyrazakov emphasized that Kyrgyzstan was "highly interested" in broader cooperation with Uzbekistan and Kazakhstan, "notably economic."

According to Abdyrazakov, Kyrgyzstan was especially concerned about the existing customs barriers. The positive solution of the issue would "have a favorable impact on the situation in Kyrgyzstan's southern areas bordering with Uzbekistan (densely Uzbek-populated region where ethnic-related clashes occurred in 1990—IF note).

The main goal of the three countries' alliance will be to achieve "mutually coordinated balance of interests," Abdyrazakov said. However, he made it clear that the Uzbek side had not yet shown the degree of openness dictated by the "logics of market reforms." The economic partnership with Kazakhstan has been developing more dynamically, he added.

1995 Economic Performance Shortfalls Noted

LD1302180495 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 1740 GMT 13 Feb 95

[FBIS Translated Text] The performance of the republic's economy, the fulfillment of the budget, and tax collection through January have not produced comforting results. This was announced at a session of the Kyrgyz Government chaired by Prime Minister Abbas Dzhumagulov today.

The meeting was told that over 67 percent of enterprises in the republic performed worse than in January last year, while 120 of them, or 35 percent, were totally idle during the month. As a result industrial production in January showed a 21 percent decline from last January.

Output of the main product types decreased in agriculture, too: meat production fell 17 percent, milk by 15 percent, and eggs by 16 percent.

Revenues to the state budget were in a very bad way in January: they fell short by 177 million soms, or almost 64 percent of the forecast target. Talas region had the lowest figure for paying revenues into the budget: Only about 25 percent of the revenue was collected.

Of course, there are also objective reasons why our economic mechanism has started running so badly in the first month of the year; however, the primary reason is unsatisfactory work by the relevant ministries, departments and enterprises, the state tax and customs inspectorates, and the local state administrations.

The government has taken the appropriate measures against them.

Results of Parliamentary Elections Announced

LD1302184595 Moscow ITAR-TASS in English 1549 GMT 13 Feb 95

[By ITAR-TASS correspondent Boris Maynayev]

[FBIS Transcribed Text] Bishkek February 13 TASS—Nineteen out of a total of 936 candidates came out as absolute winners at the first round of elections to Kyrgyzstan's bicameral parliament, which were held on February 5.

Markel Ibrayev, chairman of the Central Electoral Commission, promulgated the final results of the elections on Monday.

Some 74.13 percent of the 2,274,059 potential voters took part. Kyrgyz parliament will consist of the Legislative Chamber (35 members) and the House of People's Representatives (70 members).

The second tour of the parliament elections is scheduled for Sunday, February 19.

The Communist Party of Kyrgyzstan boasts of the largest number of candidates (39 people). Only eight women managed to make their way into the the second round of the elections.

Representatives of European international organizations, diplomats accredited in Kyrgyzstan and journalists will observe the course of elections on February 19.

Tajikistan

Islamic Movement Official Visits U.S.

LD1302203395 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 13 Feb 95

[Report by correspondent Salim Azozod]

[FBIS Translated Text] The visit which Haji Akbar Turajonzoda and Muhammadsharif Himmatzoda, deputy leaders of the Islamic Movement of Tajikistan, are paying to the United States is of particular significance, and has attracted the attention of the world media. The meetings the Tajik opposition representatives have held and the speeches they have made indicate that the American authorities invited them only after making every preparation for their visit, and that they are paying them special attention.

The representative's debates and speeches dealt with ways of bringing Tajikistan out of crisis and the interference and influence which are exerted by foreign countries, specifically Russia.

In the U.S. capital, Washington, Professor Haji Akbar Turajonzoda and Muhammadsharif Himmatzoda met 40 U.S. officials and policymakers, and answered the numerous questions asked by journalists. They noted that the main reason for the Tajik talks having reached a dead end is Russia's open interference in Tajikistan's internal affairs, and the Russian Border Guards' failure to recognize the cease-fire agreements reached by the Dushanbe regime and the opposition. Haji Akbar Turajonzoda and Muhammadsharif Himmatzoda added that both Russia and the Tajik government must correct their mistakes with regard to cease-fire violation cases, and then speak about the continuation of the talks.

A representative of the UN secretary general asked the Tajik opposition representatives if the talks would continue if the United Nations obtained the border guards's written consent recognizing the Tehran cease-fire accord. The opposition representatives gave a positive response to this question. These discussions have been published, together with a speech which UN Secretary General Butrus-Ghali made to the Security Council.

In this connection, it has been decided to increase the number of international observers and to prolong the term of their stay in Tajikistan.

James Collins, the U.S. President's special envoy for the CIS states, later received the Tajik opposition representatives. Haji Akbar Turajonzoda and Muhammadsharif Himmatzoda talked to James Collins about the current situation in Tajikistan, the role of Russia and ways of getting out of the crisis. The meetings they had with Robin Raphael, deputy head of the U.S. State Department, were very useful and sincere.

Haji Akbar Turajonzoda and Muhammadsharif Himmatzoda had meetings with members of a number of departments, including the office for CIS states and Russia. These conversations made American politicians aware of the details of events in Tajikistan, and they said these conversations were new and important to them. [Passage indistinct] Addressing the U.S. Senate's International Affairs Committee, Professor Haji Akbar Turajonzoda said that America had handed the former Soviet republics over to Russia, except for the Baltic republics, while Russia is carrying out an imperial policy toward these republics. The senators expressed the view that U.S. policy toward the Central Asian republics, particularly Tajikistan, will undergo serious changes.

In short, the official visit to the United States by professors Haji Akbar Turajonzoda and Muhammadsharif Himmatzoda is of very significant interest, and we will talk about it in future programs.

Antifundamentalist Muslim Clergyman Murdered

LD1302134195 Moscow ITAR-TASS World Service in Russian 1125 GMT 13 Feb 95

[FBIS Translated Text] Dushanbe, 13 Feb—Well-known opponent of Muslim fundamentalism in Tajikistan, 38-year-old Mullah Sadriddin Abdurahimov, was killed on Saturday [11 February] evening in Dushanbe. An ITAR-TASS correspondent was told today at Tajikistan's Interior Ministry that the Muslim clergyman was shot three times from a pistol not far from his home on the outskirts of Dushanbe.

In 1992, Mullah Sadriddin was advisor on religious issues under the late President Rahmon Nabiyev. Tajikistan's law enforcement bodies are investigating the motives for the murder.

New Government's Economic Priorities Viewed

MM1302140595 Moscow PRAVDA in Russian 11 Feb 95 p 2

[Report by Alisher Niyazov: "Rakhmonov's Tough Course. People in Tajikistan Are 'Not Playing' at Independence"]

[FBIS Translated Text] Dushanbe—Ahead of the presidential election head of state Emomili Rakhmanov repeatedly said that if successful he would make a major study of the government's professional qualities. Following his sure-fire election victory the Tajik leader is fulfilling his election promise. The government's entire financial and economic team—starting with the premier and ending with the chairman of the National Bank—has resigned.

Local observers think that the continuing national economic slump is the reason for the radical government reshuffles. The rate of industrial decline has reached an impressive scale and by the end of the year stood at 70 percent compared with the indicators for 1990, which was by no means a favorable year.

Against this backdrop the abortive attempt to form a single ruble zone with Russia was particularly painful for the republic. As we know, after a year of procrastination and delay the Russian side denied Tajikistan the ruble. Today the new prime minister Dzhamshed Karimov and the people whom he has placed in ministerial posts have to tackle something that none of their predecessors tackled, namely real economic reform.

During a recent interview with Russian journalists Dzhamshed Karimov said that his government has the political will, the program, and, importantly, a clear understanding of the economic priorities. These being cotton, a strong mining industry, a number of chemical production units, and an aluminum plant which can compete with leading enterprises not only in the CIS but even in the West. Dzhamshed Karimov explained that the new government's first step would be to introduce a national currency.

This is no whim and no game of independence. Having its own currency, D. Karimov said, would give the republic an opportunity to pay the population the billions that it owes and obtain credit from the IMF. As we know, that is one of the IMF's conditions, and the premier stressed that the government has already begun fulfilling the first two. Privatization has begun and free prices for all kinds of food, apart from bread, have been established.

And the government is banking on its export potential. This primarily means cotton, aluminum, and gold. By government decision a state monopoly has already been established on these strategic resources.

Armenia

President Comments on Almaty CIS Summit

NC1302215895 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 13 Feb 95

[FBIS Translated Text] While the Armenian delegation was returning from Almaty, Armenian President Levon Ter-Petrosyan gave an impromptu interview on the plane to reporters, including ARMENPRES correspondents, and shed light on the summit meeting. The president replied to all the questions of reporters during the conversation.

Referring to the memorandum on peace and stability in the CIS, Levon Ter-Petrosyan said that his impression is that the document under consideration seriously conflicted with the norms of international law, particularly as regards human rights and the rights of national minorities. Additionally, certain points were unacceptable to us. The principle of territorial integrity, and the inviolability and unalterability of borders were specifically singled out under the cover of international law. This is unacceptable to us, because it is not possible to isolate only a few principles, or a part, from the entire system of international law. That is, if these two principles were to be mentioned, then the right of national self-determination had to be mentioned as well. Therefore, he signed that document taking into consideration Armenia's special opinion on it. That special opinion has been attached to the document and it blocks points seven and eight. Once you become familiar with the document, he said, you will see what points these are.

The Republic's president noted that there was much talk on integration at the summit. This is a qualitatively new, deeper integration, the necessity of which was underlined at all levels of CIS meetings. Here, there exist both a certain exaggeration and a realism. Anyway, this [CIS] structure has been in existence for more than three years now, and it would not have become a reality had there not been this type of gradual progress. Nowadays, it is not possible to create such commonwealths or associations within a single day. There is no such thing in the world. Only the UN was set up all at one time, for explicable reasons: After the dreadful war the peoples of the world needed a tribunal to provide some international guarantees for the maintenance of peace. As to the EU, you know its history. As regards other regional organizations, though they were set up scores of years ago, I cannot say that they are more productive than the CIS. Time will tell.

In reply to a reporter's question if any progress has been achieved during the meeting with [Azerbaijani President] Geydar Aliyev, the Armenian Republic's president said that no such meeting took place. It was a meeting between Aliyev, Ter-Petrosyan, and [Georgian President] Shevardnadze at the invitation of [Kazakh President] Nazarbayev. It was exclusively a courtesy meeting. As host, Nazarbayev visited all the guests, and because by chance we were in the same hotel, he received us together.

Asked if in fact Azerbaijan, Ukraine, and Turkmenistan did not sign the document on the joint protection of the borders, the president replied: Right, no one signed it. That issue was deleted from the agenda. Four countries have serious reservations on that issue and therefore it has been moved to the agenda of the next CIS summit.

Asked if any agreement has been signed on joint customs policy, the president replied: No. Only a general document was signed on the general principles of customs legislation. This is a non- binding document. Just that such an idea exists in view of economic cooperation between CIS countries, and it is a correct idea to draft a harmonized legislation between these countries.

Asked which was the most important document signed, the president replied: The most important was probably the establishment of the joint air defense system.

After replying to questions on the results of the formal meetings between the CIS heads of state, the reporters also had the opportunity to discuss the Republic's domestic affairs with the president. They received exhaustive information on the pre-election situation, timetable on the recommissioning of the Armenian nuclear plant, prospects of developing border trade, and other issues.

Matters relating to issues of recent history were also touched upon. Levon Ter-Petrosian expressed his views on documents such as the Sevres Treaty, and the meaning of the Armenian Question. Matters relating to the president's work and private life were not avoided either.

U.S. Delegation's Visit to Yerevan Viewed

NC1302162195 Yerevan SNARK in English 0650 GMT 13 Feb 95

[FBIS Transcribed Text] Yerevan, February 11 (SNARK)—"We believe in Armenia's future as independent and developed state," announced today the head of U.S. delegation in Armenia Thomas Simons at a press conference in Yerevan. Such an opinion the Special Ambassador, and US to CIS Assistance Coordinator, gained in course of his three-day visit to Armenia in process of which he, and his accompanying persons, had numerous meetings with Armenian officials and businessmen.

The delegation of U.S. statesmen and business leaders was received by the President Levon Ter-Petrosyan, Parliament Speaker Babken Ararktsyan, and Prime Minister Hrand Bagratyan.

According to Simons, these meetings and acquaintance with situation in the republic inspire a hope that Armenia is strongly adherent to democratic reforms and market economy. Therefore USA intends to start investing funds in Armenian economy in 1995, considering Armenia as the most reliable partner in the region. Mr. Simons characterized the political situation in Armenia as stable. He was also satisfied with strengthening of national currency, dram, as well livening signs of production.

The suggested partnership program for this year, told the guest, will contribute to reveal the known talent and skill of the Armenian people in reconstruction of his economy in market conditions.

Asked by SNARK newsman in what economies would the investments of U.S. business be made, Mr. Simons named only construction of hydro turbine plant, and didn't further comment the question. However he additionally told that, by request of the Armenian Government, the U.S. party will consider the continued supply of kerosene as humanitarian aid.

Azerbaijanis Shell Borders Over Weekend

NC1302215495 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 13 Feb 95

[FBIS Translated Text] The Defense Ministry reported that Azerbaijani Army units again violated the cease-fire on the Republic's northern and northeastern border on Saturday and Sunday. The defensive positions of Chinari in Tavush were shelled between 2330-0200 on 11 February from artillery stations, with mortars, large-caliber machine guns, and other fire arms. There were casualties. A cease-fire violation was recorded on the same day near Vahan in the Krasnoselskiy region. The enemy shelled the village's defensive positions between 2345-0150 from artillery stations, with large-caliber machine guns, and other fire arms. There were no casualties.

The Azerbaijani Army again targeted Chinari in Tavush on 12 February. The enemy intermittently shelled the village's defensive positions and the surrounding area between 0815-1800. There were no casualties or material damage.

In all cases, the enemy went silent following the forced retaliation by our border guards.

The same source reported that a relative calm has prevailed in the rest of the Republic's border regions since last night. As of this hour, we have not received any information on the situation.

The press service of Nagorno-Karabakh Republic Defense Army headquarters reported that it is calm on all Karabakh fronts.

Azerbaijan

Delegation in Iran To Discuss Energy Deliveries

LD1302205195 Moscow INTERFAX in English 1925 GMT 13 Feb 95

[FBIS Transcribed Text] Baku, Feb 13 (Interfax)—An Azerbaijani government delegation on Monday [13 February] left for Tehran.

The main purpose of the official visit is to negotiate dates for the delivery from Iran of electricity and food to Azerbaijan's Nakhichevan Autonomous Republic under an earlier agreement, delegation leader Samad Sadykov, the economics minister, said.

This year Iran is to provide Nakhichevan with more than 200 million kilowatt-hours of electricity, one-third of what the republic needs, Sadykov told Interfax before the delegation's departure. The rest will partly be generated locally and partly come from Turkey.

The subjects to be dealt with in Tehran also include funding the construction of a natural gas pipeline to link Iran to Nakhichevan, building a refinery to process oil received from Iran and other long-term energy projects for the autonomous republic, the minister said.

He said the delegation was not authorized to discuss the possibility of Iran's membership in an international consortium formed to develop offshore Azerbaijani oil fields in the Caspian.

Talks Between Elchibey, Aliyev Reps Denied

NC1302201895 Baku TURAN in English 1041 GMT 13 Feb 95

[FBIS Transcribed Text] Baku (February 10) TURAN—"The information about the visit of the representatives of President Aliyev to Nakhichevan for negotiations with Abulfaz Elchibey is absolutely false", the Deputy Chairman of the PFA [People's Front of Azerbaijan], Ali Kerimov, told Turan's correspondent.

He also refuted the information about the scheduled visit of the PFA representatives to Moscow. "The PFA is concerned about activization of pro—Moscow forces in Azerbaijan and there are no grounds to accuse us of pro-Moscow orientation or contacts with anybody in Russia", he said.

Defense Minister Comments on Trip to Almaty

NC1302181295 Baku TURAN in English 1042 GMT 13 Feb 95

[FBIS Transcribed Text] Baku (February 11) TURAN—Last evening the Azeri delegation at the head of President Aliyev returned from Almaty to Baku.

The issues concerning working out principles of common customs union, development of integration process within the framework of the Commonwealth, drafts of agreement on common anti-air defence system of the CIS-member states, joint protection of external borders of the CIS as well as the issue concerning changes and amendments to the Collective security pact were discussed during the summit of the CIS on February 9-10.

Azerbaijan refused to sign the document on joint protection of borders.

In his interview to national TV, Defense Minister General-Lieutenant Sefer Abiyev, said that Azerbaijan also

refused to sign the document on creation of common anti-air defense system, since one cannot speak about common system when Armenia is at war with Azerbaijan. Abiyev said that Azerbaijan stood for the conclusion of bilateral agreements between the states.

Azeri Defense Minister said that all borders of the state must be protected. However, Abiyev mentioned, the CIS is not the state, and that is why one cannot speak about protection of its borders. "If we speak about protection of the CIS borders, it means that it is the state. It looks as if someone tries to restore the USSR. It does not suit us, we do not wish to return to the past", Azeri Defense Minister said.

Delegation Declines Signing Border Defense Treaty

NC1402085695 Baku Radio Baku Network in Azeri 1730 GMT 13 Feb 95

[FBIS Translated Text] We informed our listeners earlier on the talks that were held during the CIS summit in Almaty. We also informed our listeners that the treaty on the joint defense of the CIS borders has failed to satisfy Azerbaijan. Quoting the commander of Azerbaijan's border guards, AZERTAC has said that Azerbaijan has not signed the document, which the CIS heads of state decided to sign. Azerbaijan's proposals were not included in the agreement, nor was a provision included to indicate that Armenia has occupied Azerbaijan's territory and resources Furthermore, various provisions in the document harm Azerbaijan's independence. According to the commander, our Republic's delegation refrained from signing the agreement because they were convinced that it cannot be realized.

Officials on Nagorno-Karabakh Cease-Fire Talks

LD1302192195 Moscow INTERFAX in English 1619 GMT 13 Feb 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] "Azerbaijan intends to stand by the ceasefire agreement in the Karabakh conflict zone. Reports to the contrary are groundless rumors," a presidential advisor and the head of the Azeri delegation to talks on a settlement in Karabakh Vafa Guluzade told Interfax.

According to him, Baku cherishes peace and will not be provoked into breaking the ceasefire agreement. "Under the understanding with Armenia the ceasefire will last till the signing of a peace treaty and the completion of the armed conflict. Azerbaijan does not intend to give up its commitments," Guluzade said.

In his opinion no cardinal decisions were made at the Moscow talks under the auspices of the OSCE Minsk group. He placed the responsibility for the absence of progress on representatives of Yerevan and Stepanakert who "tried to decipher international documents which leads to a quagmire."

"Our opponents - Armenians in Nagorno-Karabakh backed by Armenia - would want to get the legal status of a side to the conflict. They refer to documents of the Budapest summit of the OSCE which they claim indirectly recognize Nagorno-Karabakh as a side to the conflict," Guluzade said.

He said Baku cannot agree with such an attitude. "We see only two sides to the conflict - Armenia and Azerbaijan. As for references to indirect recognition by the OSCE, members of the organization are strong enough to speak openly, not indirectly. If they had wanted to recognize Nagorno-Karabakh as a side to the conflict, they would have done so long ago," the head of the Azeri delegation remarked.

He stressed that Baku will not give Karabakh a legal status before fundamental matters are settled related to the withdrawal of Armenian troops from occupied Azeri territories. "After that it will no longer matter who is going to sign these or those documents," the chief negotiator said.

Still he did not think that the Moscow talks ran into a blind alley. "We demonstrated the groundlessness of the claims of our opponents which we hope are going to change their tactics at the next meeting in Vienna," Guluzade said.

He stressed that the contacts in Moscow were quite useful from the personal point of view. "We are normal people and we socialize normally. I met Armenians from Nagorno-Karabakh as well as from Armenia, for instance Arkadiy Gukasyan, with whom we have a good relationship," he remarked.

The foreign minister of the self-proclaimed Nagorno-Karabakh republic Arkadiy Gukasyan thinks that the recognition of Karabakh as a side to the conflict is not a concession for Azerbaijan but the recognition of a reality.

"If the world community thinks that all aspects of the Karabakh settlement can be resolved otherwise, we will not have anything against," he commented on Baku's refusal to recognize Karabakh as a side to the conflict.

Gukasyan called the situation absurd and added: Who should withdraw troops from Azeri territories then, if Baku remains adamant?

Gukasyan said that the security guarantees suggested by mediators do not compensate for the ones existing today. In his opinion the ceasefire that has been in force since May 12 is not only a result of efforts by mediators, but a reflection of the balance on the front. "Now the defenders of Karabakh have an almost ideal defence line, they occupy all key heights and can follow Azeri troops," he stressed. After the withdrawal of Karabakh forces from their territories and the deployment of an international separating force the degree of security of Karabakh can change, Gukasyan thinks.

"We will be ready to resolve political matters only if we see that the guarantees of security are sufficient," the minister said.

In the opinion of the Armenian deputy foreign minister Vardan Oskanyan the Moscow talks failed because of Azerbaijan's refusal to recognize Nagorno-Karabakh as a side to the conflict contrary to the clear stance of the OSCE.

Oskanyan does not rule out the possibility of the resumption of hostilities in the conflict zone. "The approach of Azerbaijan to talks is the approach of a side that is preparing for the resumption of hostilities," he told the press in Moscow. Still he hoped that Azerbaijan will realize that there will be no progress at the talks as long as Karabakh is not recognized as a side to the conflict.

The Russian Foreign Minister Andrey Kozyrev hopes that the ceasefire agreement signed nine months ago will be observed by all the sides.

During a Saturday meeting with the participants in the Moscow talks Kozyrev stressed that the international community has done its utmost for a settlement in Karabakh. "The most difficult thing now is to encourage the sides to use the services of the international community," the diplomat said.

He invited the negotiators not to feel disappointed and to multiply efforts to reach lasting and fair peace.

Issue of Financing for SOCAR Share Settled

NC1302200295 Baku TURAN in English 1027 GMT 13 Feb 95

[FBIS Transcribed Text] Baku (February 10) TURAN—"Presently we settled the issue on financing of SOCAR's [Azerbaijan National Oil Company] share in the oil consortium", the President of SOCAR, Natig Aliyev, said on TV on February 8. He added that they worked with all financial institutes for settlement of this issue. The agreement on granting the guarantee on solvency of Azerbaijan by the large banks is reached.

He also said that Exxon, AGIP, Elf, Shell and Turkiye Petrolleri forwarded proposals to SOCAR concerning purchase of the part of Azeri share in the consortium. He also mentioned that they offer the Azeri party a large bonus, or offer to purchase the part of SOCAR's share. "Presently these proposals are considered by SOCAR's specialists and we will adopt the resolution on this issue", the President of SOCAR said.

Natig Aliyev acknowledged that during the meeting, which is holding now on London, the participants of the consortium agreed to prolong the term for Azerbaijan to present its guarantees for financing of its share for two additional months. The participants of the consortium agreed to prolong the term until April 11 and even until the later date.

Touching upon Iran's participation in the consortium, Natig Aliyev said that SOCAR asked the participants of the consortium to express its regard for this issue. It should be mentioned that any change in the staff of the consortium can take place if the members of the consortium agree.

Communists Plan To Resume Publishing Periodicals

NC1302182595 Baku TURAN in English 1042 GMT 13 Feb 95

[FBIS Transcribed Text] Baku (February 11) TURAN—The Communists of Azerbaijan gradually but confidently legalize their activity. Over the past time the meetings of Communists have been conducted in several regions of the republic. During the meetings the delegates for the XXXV Congress of Azerbaijan's Communist party, which is to take place in May 1995, have been nominated.

The Communists also decided to resumed publishing of party's newspaper. The member of the Communist party, Ramiz Ahmedov, who earlier was the Editor-in-Chief of "Communist" newspaper, said that the Ministry of Information and Press have already registered the newspaper "Azerbaijani Hagigaty" ("Azerbaijan's truth"), which will be issued in March 1995. The editorial staff of the newspaper is headed by the journalists, who had worked in former Communist periodicals.

The newspaper will be published in Russian and Azeri. The column "Voice of Nation" will be one of the leading one in the newspaper and it will cover socio-political life of the republic from the point of view of the nation.

Communists wanted to resume the activity of their newspapers earlier and to give back the newspaper "Halg Gazeti", which from 1919 to 1992 was called "Communist". However, since December 20, 1994 the newspaper "Halg Gazeti" and "Bakinsi Rabochi" ("Baku's worker") passed under the jurisdiction of the Presidential staff of the republic.

PFA Urges No Compromise With Russia

NC1302182495 Baku TURAN in English 1042 GMT 13 Feb 95

[FBIS Transcribed Text] Baku (February 10) TURAN—"The PFA [People's Front of Azerbaijan] is against the idea of creation of over-state structures meeting the neo-imperialist aspirations of Russia", reads the statement of the Popular Front issued due to the CIS summit.

The agenda of the Almaty's summit on February 9-10 testifies to Russia's intentions to achieve strengthening of the CIS at the expense of restriction of sovereignty and independence of the CIS member states, the PFA considers.

The PFA warns the Government of Azerbaijan not to make compromises to Russia.

"The PFA is against any steps aimed at restriction of Azerbaijan's independence and calls on the leadership of the country to refuse of the steps contradicting the national interests of Azerbaijan", the statement reads.

Georgia

UN Envoy: Separatists Should Abandon 2-State Idea

LD1302184095 Tbilisi CONTACT INFORMATION AGENCY in Russian 1600 GMT 13 Feb 95

[FBIS Translated Text] Tbilisi [no dateline as received]—UN envoy Eduard Brunner said at a news conference dedicated to the Geneva talks that the Abkhaz separatists must not cherish illusions. The events in Chechnya demonstrated that the Abkhaz side would have to compromise and there must not be any further talk about two states within one country. The world community opposed the idea of splitting the country, to which the aggressive separatism aspired. Abkhazia would remain within the same borders as before the break-up of the Soviet Union.

Meanwhile, the member of the Russian delegation at the talks, Fyodorov, said that Russia would never allow the use of refugees to become an issue in the settlement of political problems, to which the separatists often mention.

Shevardnadze Interview on Debts, Production

LD1302181595 Tbilisi Radio Tbilisi Network in Georgian 0810 GMT 13 Feb 95

[Regular weekly interview with Head of State Eduard Shevardnadze by correspondent Nato Oniani on 13 February, place not given—recorded]

[FBIS Translated Excerpt] [Oniani] Batono Eduard, we have talked about the economy, or to be more precise, you did, especially about a visit to Georgia by a U.S. delegation led by Mr. Simons, and the session of the CIS Heads of States held in Almaty last week.

[Shevardnadze] Yes, I have previously talked about the economy and I said that last week was of vital importance from the viewpoint of the meeting of CIS Heads of States held in Almaty. Also from the viewpoint of the documents signed in Almaty, including those of an anti-separatist trend; the documents laying the basis for customs legislation, which will help cooperation in a single economic space; several important normative acts of an economic nature, which were approved at the first reading at the parliament session, and I attach a great importance to them; and a visit by influential representatives of U.S. political and business circles, which you have already mentioned. The aim of their visit was to study reforms in Georgia and offer assistance to our country. [passage omitted]

I must be upfront now before the Sakgazi department leadership; either we will have to disband the department or they will have to alter their manner of work. It is impossible to continue working as they do. According to data on 9 February 1995, the total sum of the credit debt for gas came to 108 trillion coupons. The bulk of the debt—62 trillion coupons—is owed by the Sakenergo [Georgian power] department; 10 trillion coupons by the Azoti factory; 8 trillion coupons by the Rustavi metallurgical plant; and 21 trillion coupons by the population. [figures as heard] [passage omitted]

Now, I would like to say that the work of the U.S. delegation was very productive. They met the heads of almost all key structures and received comprehensive information concerning the progress of reforms in Georgia, our plans, and how we are going to continue with reforms. They were very impressed by the recently published decree on the state provision for reforms. In general, it can be said that they made many interesting suggestions, and, as they said, were leaving Georgia with rather good impressions.

In this connection, I would like to discuss the following issue: supplying our population with objective information. I am very far from believing in the creation of ideological centers, some sort of new information centers, or in the introduction of iron discipline in the work of the press and television. The press and television should be free, but they should not be irresponsible.

When the U.S. delegation was in Tbilisi, it was said—if I am right—by Mr. Simons that 30 percent of the 500,000 tonnes of grain received by Georgia in 1994 was intended for the population of the countryside. However, he said that in reality the countryside received only 10 percent. That is correct. Most of the grain was used in the towns. What he meant was the U.S. grain. However, we received grain not only from the United States, but also from the EU. So, the population of the countryside also received EU grain, and the total amount received reached 15 or 20 percent. Still, most of the grain was used in the towns, and it is natural, because the population in the towns has no other means of subsistence. That is all that was said, and there is no cause for alarm.

The media, in particular television, reported that of the 500,000 tonnes received by Georgia from the United States, only 10 percent was used by the population. Can you imagine, that in two or three hours this sensational information reached many countries, including Russia and European countries, where it was reported. Then someone here realized that the information was wrong, and a correction was made, although it did not appear promptly. But no one pays attention to corrections.

This information, which returned to Georgia in the form of reports from various sources in Russia and elsewhere, was considered correct and it is still considered correct. I received phone calls yesterday asking whether it was really true that only 10 percent had reached the population. Yesterday I could not hold back my outrage and expressed it to Mr. Archil Gogelia [head of the state-run TV and radio company]. Why should we disturb our suffering people even more by reports saying that only 10 percent has been distributed and suggesting that the rest has been misappropriated. Of course, there are cases of misappropriation, but in my opinion injustice, unobjective reporting, and lies like this should be severely punished. [passage omitted]

As I said, objective coverage of events is a burning issue today. Newspapers are full of rumors, lies, and libel. I think that the Procuracy and the Justice Ministry should deal with this because the appearance and behavior of some newspapers contravenes the law on the press. When a law is being violated, everyone should speak out.

I would also like to make some self-critical remarks about the head of state's press service, which is not up to the mark and fails to react in a timely manner when necessary. Everybody waits for the head of state's instructions concerning individual incidents and the wording of individual phrases, and only then will they call a press conference and provide some explanation.

The same can be said about the press services of the Cabinet of Ministers and other agencies. We should help the population to receive information that is as correct as possible. [passage omitted]

[Oniani] A meeting of CIS heads of state and prime ministers was held in Almaty last week. You have already spoken at a news conference in detail about this meeting, but I would still like to ask you one question: How would you assess the results of this meeting against the background of a fruitless round of talks in Geneva, and against the background of statements by [Abkhaz leader Vladislav] Ardzinba? [passage omitted]

[Shevardnadze] Let me say that the Geneva talks were not entirely fruitless. Certain results and certain progress, although not very significant, were achieved. The fact that no documents were signed is not everything. Certain steps were made in Geneva this time.

I think that the settlement process and the return of Georgian refugees to Abkhazia should be speeded up. I had a very interesting meeting with Yeltsin. We agreed on many things. We agreed that the Georgian and Russian authorities will do everything to speed up the settlement process. We agreed that this is in the vital interests of both states.

I believe that the most important result of the Almaty meeting was its assessment of aggressive separatism. I would like to remind the listeners of what I said during the news conference which was shown on television. On the issue of aggressive separatism, the document which was signed at the meeting says that the CIS countries will adopt measures to stop separatist, nationalist, chauvinist, and fascist tendencies. The CIS countries now say that they can no longer tolerate fascism. As you know, this phenomenon has become prominent in some regions.

Please pay attention to these words, which are very important: The CIS states pledge not to support separatist movements in CIS countries, not to support separatist regimes, should such regimes emerge—this should be understood well in Abkhazia—and not to establish political, economic, or other ties with them. By the way, this is Russia's pledge as well. It is above all Russia's pledge not to support the regime which has emerged in Gudauta. The CIS member states will not allow their territory and communications to be used by such regimes, and will not give them economic, financial, military, or any other assistance. The fact that communications are not to be used amounts to the economic and political isolation of separatists and separatism.

I would like to repeat that it has been more than two years since Georgia started to struggle at every level to shape international opinion on the issue of separatism. As you can see, the first tangible result is evident: The CIS, as an international interregional organization, has expressed itself. I believe that those in Abkhazia, first of all the leaders of the separatist regime, should draw appropriate conclusions. We still favor negotiations, we are still pursuing a peaceful path. But this is a path which reflects the interests of a single state of Georgia and the interests of the Georgians and Abkhazians. [passage omitted]

I would say that in the past two years I have met many politicians, including heads of international organizations, and many of them would not even say the word separatism aloud. That was because they could not grasp how dangerous it is for the modern world. Thank God, they have already started thinking about it. Moreover, documents are now being drawn up. I feel gratified that a politician like Mr Edouard Brunner [UN mediator at the Georgian-Abkhazian talks], whom we all know very well, now believes that separatism will not get support from the UN and the Security Council. Such a position on aggressive separatism and separatist movements should change many things in the attitudes toward Abkhazian separatism. [passage omitted]

As regards the CIS, I have said that the CIS is gradually taking on the qualities of an international interregional organization. It has not acquired its final shape yet. All citizens of CIS member states should recognize it as an international interregional organization. But this will only happen after they see a real improvement in all spheres. Only then will it become an established association.

There is a future for the CIS if it becomes the most important guarantor of the sovereignty of its members, their economic revival, and the development of science and culture in these countries. This is quite a realistic prospect.

Such a foundation will serve the CIS longer than the reinforced concrete fortress of a totalitarian system. If we have relations based on mutual benefit, equality, friendship, economic integration—in the best meaning of the word—cooperation in science and culture, and so on, if all this is achieved, then of course the CIS could play an historic role in the formation of our independent statehood, and in improving the welfare of all of its member states.

Estonia

Parliament Supports Chechen 'Self-Determination'

LD1302125895 Tallinn Radio Tallinn Network in Estonian 1100 GMT 13 Feb 95

[FBIS Translated Text] The Riigikogu [parliament] has adopted a statement in support of the Chechen people's right to self-determination. Fifty voted in favor of the statement, none voted against, and there were no abstentions.

On 9 February, the Riigikogu Foreign Affairs Commission submitted to the Riigikogu a draft law on the war in Chechnya. The draft proposed the following: to ask the government to follow closely the events in Chechnya and to support in the international arena the aspirations of the Chechen people to exercise their right to self-determination. In addition, it proposes that the government recognize the independence of Chechnya at the first opportunity when the international situation permits.

The Russian Federation Ministry of Foreign Affairs on Friday protested that Chechnya was discussed in the Estonian parliament and cited this as evidence of the Estonian authorities' support for the Dudayev regime. According to Juri Arusoo, the press representative of the Estonian Foreign Ministry, the ministry heard the verbal protest of the Russian Federation, but does not intend to react to it in any way.

Russian Chechnya Protest 'Politically Illiterate'

WS1402082195 Tallinn BNS in English 1518 GMT 13 Feb 95

[FBIS Transcribed Text] Tallinn, Feb 13, BNS—Russian Foreign Ministry protest is "politically illiterate," Vello Saatpalu, chairman of the Estonian parliament's foreign affairs commission, said Monday [13 February] in an interview with BNS.

The Russian Foreign Ministry issued a protest Friday over a parliamentary debate on the Chechen issue, saying it "witnessed Estonian authorities' support for the regime of (Chechen President Dzhokhar) Dudayev."

BNS has information a draft resolution on Chechnya is on the agenda of Monday's parliament session.

Russian Foreign Ministry officials told Estonian Ambassador to Moscow Juri Kahn that "Tallinn's continued anti-Russian activity will seriously affect Russian-Estonian relations."

Moscow regards the parliament's step as "open interference in Russia's internal affairs, a fresh evidence of Estonia's complicity with the regime of Dudayev and of attempts to undermine Russian statehood."

In Saatpalu's words, Russia's protest shows up the political illiteracy of the Foreign Ministry, because "they issue statements about documents that don't yet exist."

The draft resolution on the war in Chechnya was presented for consideration in legislature by the parliamentary foreign affairs commission. The document proposes that the government should "follow carefully the developments in Chechnya and support in the international arena the aspirations of the Chechen nation to realize its right to self-determination." The resolution also proposes that the government should recognize Chechnya's independence "at the first opportunity offered by the international situation."

Troops Sent to Croatia as Peacekeepers

LD1302173195 Tallinn Radio Tallinn Network in Estonian 1300 GMT 13 Feb 95

[FBIS Translated Text] The Riigikogu today adopted a law on using Estonian defensivee forces to fulfil international obligations of the Estonian state. Thirty three voted in favor of the law. None voted against and there was one abstention.

The Riigikogu earlier adopted a resolution, giving permission to use a division of the Estonian independent peacekeeping company in a peacekeeping mission on the territory of former Yugoslavia. The law adopted today and the Riigikogu resolution of 6 February will allow 50 Estonian serviceman to carry out international obligations for a period of one year in former Yugoslavia as part of the Danish peacekeeping battalion. The infantry division of the Estonian peacekeeping company will leave for Croatia on 15 February as part of the Danish peacekeeping battalion.

Economic Analysis Shows Economy Out of Slump

LD1302201995 Tallinn Radio Tallinn Network in Estonian 1300 GMT 13 Feb 95

[FBIS Translated Excerpt] The economic analysis of 1994 was reported at the Economics Ministry today. Anne Osvet continues.

[Osvet] The annual overview focuses on factors influencing the economy and on the general interaction of these factors. Assessing the year 1994, Economics Minister Toivo Jurgenson said that the economic slump is over. The agricultural sector, development of which was a year behind other sectors of the economy, somewhat stabilized last year. Businesses and the economic recovery benefited from the open market, the abolition of subsidies, and the absence of customs barriers. The same factors also benefited the agricultural sector, but this takes more time as the sector is slower to turn around.

The first stage of restructuring has been completed: a large proportion of enterprises have been privatized and the main emphasis in the tax system has been shifted to indirect taxes. Consumers' interests have been set above the interests of producers.

The economics minister stressed that several funds set up at the Economics Ministry have an important role to play in regional policy. These are the small businesses' credit fund, the export credit fund, and the housing fund. The recently created Investment Agency has proved the need for such a state institution to advise investors.

Toivo Jurgenson stressed the positive continuing trend of increasing foreign investment. Foreign investment in 1994 doubled compared with 1993. Foreign investment in existing businesses has also doubled.

The minister said that salaries in Estonia have increased faster than the cost of living. Inflation is largely an issue of the internal economy. [passage omitted]

[Begin Jurgenson recording] The vast majority of enterprises have either been privatized or are in the process of some sort of privatization. Currently, among the enterprises under the administration of the Economics Ministry, only several dozens are not in the process of being privatized. These are some of the power and alcohol industry enterprises.

The total volume of privatization amounted to 1.2 billion kroons in 1994. By comparison, the total amount for the three years from 1991 to 1993 was only 400 million kroons. [end recording]

[Osvet] Industrial output increased last year and already half of it went for export. Efficiency has also increased.

[Begin Jurgenson recording] The largest upsurge took place in the forestry, chemical, and building materials sectors. The share of the food industry has risen significantly. For 1995 we predict growth in industrial output of over 7 percent. We predict 2 percent growth for the food industry—it currently accounts for 36 percent of industrial output. Industrial output accounts for 17 percent of gross domestic product. [end recording][passage omitted]

Latvia

Growing Number of Refugees Causes Concern

WS1302154295 Riga DIENA in Latvian 31 Jan 95 p 1

[Report by Toms Liepins: "UN Commissioner Recommends Legislating the Status of Refugees"]

[FBIS Translated Text] Riga, 30 Jan — At the end of last week, the working group of the Latvian Foreign Affairs Ministry for resolving immigration problems received a letter from Hans Thoolen, the UN high commissioner on refugees, in which he expressed concern over the refugees in Riga and their fate.

In his letter, Thoolen discloses data, unknown until now, on refugees who have gone to Scandinavian states from the Baltics. The commissioner emphasized that Latvia will soon have to make a decision on joining the Geneva Convention of 1951, which determines the status of refugees and the mechanism for providing support for them by the government. In addition, Thoolen advised considering the possibilities for educating refugee children in accordance with the level of education in Latvia.

Maris Riekstins, head of the Foreign Affairs Ministry's working group for immigration problems, told DIENA that the first part of the letter refers to the 149 refugees living currently in Latvia. "The situation is complicated because—whether Latvia joins the Geneva Convention or not—the refugees find themselves under the protection of the UN High Commissioner. Therefore, Latvia cannot act contrary to his opinion," Riekstins said.

"Currently, the group is working on possible changes to adapt Latvian legislation to specific situations. Directives are being prepared on how to treat refugees, beginning with their arrival to their upkeep. The directives will also include a mechanism for their deportation. It is foreseen that the project will be submitted to the government by 15 February," Riekstins said.

He added that information has been received from the Scandinavian states about the possibility of obtaining financial assistance if Latvia joins the Geneva Convention.

As DIENA has already reported, on 23 December 1994, in Estonia, 149 refugees were detained on the ship "Katrana," after the ship had been damaged. The refugees were sent to Latvia and are currently at the "Krusta" hospital in Riga.

Detained MP's Wife Says Ministry Not 'Upfront'

WS1402081195 Tallinn BNS in English 1518 GMT 13 Feb 95

[FBIS Transcribed Text] Riga, Feb 13, BNS—The wife of Latvian Saeima [parliament] member Zigurds Tomins thinks that the Latvian Foreign Ministry has not been upfront with U.S. authorities about her husband's status during his visit to the U.S.

Tomins is visiting the U.S. as a parliamentary deputy, not as a private person, Inese Tomina says in an statement released on Monday [13 February].

She says that the Latvian government has failed to assist an official of the Saeima (parliament) to protect his rights and honour. In addition, she says that the unconfirmed and one-sided information currently circulating in Latvia has given rise to a campaign of political persecution that is seriously affecting Tomins' family and constituents.

The announcement says that up to today, U.S. law enforcement agencies have not asked Tomins for a translated statement. The Latvian Embassy in the United States has also not been asked to provide any information or statements about the incident.

As reported, Tomins was detained and then set free by U.S. authorities in connection with an incident involving an American woman in a Washington hotel.

Tomins has informed the Saeima Presidium that he was attacked. The daily DIENA, however, is reporting that the woman has filed kidnapping and aggravated assault complaints.

Since Tomins's defense attorney has not yet met with the prosecutor, it is still unknown whether Tomins will be able to leave the United States before the court proceedings and if the Washington Public Prosecutor's Office will hold the charges against the Latvian MP, reports DIENA.

Advisory Service To Research Investment Conditions

WS1402121295 Riga LABRIT in Latvian 31 Jan 95 p 4

[Report by Maija Baumane: "Advisory Service Will Work in Latvia"]

[FBIS Translated Text] After arriving in Riga, a group of specialists from the Foreign Investment Advisory Service [FIAS] begun work on conducting research on conditions for investing in Latvia.

Maira Vesmane, deputy director of the Latvian Development Agency [LAA] told LABRIT that during the visit, the FIAS specialists will meet with representatives of the LAA, the Latvian Privatization Agency, the Ministry of Finance, and the Ministry of Economy, as well as with foreign investors who have already established enterprises in Latvia.

It is planned that in the course of their research, the specialists of the FIAS will become aquainted with the Latvian program of privatization, the tax policy, and the employment situation on the labor market. As a result of their work, findings will be submitted to the government on the current economic situation of Latvia, including recomendations for improving the investment climate.

The FIAS serves the International Finance Corporation and the World Bank, by providing consultations concerning investments.

Vesmane emphasized that similar research is being carried out by the LAA, which collects information on the current situation in different branches of the Latvian economy, and seeks potential foreign investors.

Lithuania

Baltic Leaders Meet, Review Agenda

LD1302202595 Riga Radio Riga Network in Latvian 1800 GMT 13 Feb 95

[FBIS Translated Text] The heads of the governments of the Baltic states met in Riga today. The plan of the Baltic Council of Ministers' work for this year was approved during the talks and this is the first document of such kind since the Baltic Council of Ministers was set up a little less than a year ago.

Following the talks, the prime ministers of the Baltic states signed three resolutions: on the plan of the Baltic Cabinet of Ministers' work for 1995; on the Via Baltica project; and on the Baltic customs union. A statement on trade in agricultural products, the adoption of which had been planned, was not signed. Organizational questions concerning the Baltic Council of Ministers, the formation of new committees, and the procedure of determining who is to be a presiding country and cooperation at a session of the Baltic Assembly scheduled for 21 and 22 April were also discussed.

President: No Baltic Military Union in Near Future

WS1402121095 Vilnius ELTA in English 1809 GMT 13 Feb 95

[From "News Bulletin" No. 693]

[FBIS Transcribed Excerpt] Vilnius, February 13, ELTA—During the traditional interview to the Lithuanian radio Lithuanian President Algirdas Brazauskas stated that "the Baltic states have no intentions of forming the military union in the nearest future".

President Brazauskas said that this issue was not being discussed and considered at the moment.

Nevertheless, Lithuanian President gave a very positive evaluation of the formation of the Baltic peace-keeping battalion.

The battalion symbolizes the determination of our countries to participate in the activities of keeping peace and stability, Algirdas Brazauskas stressed. [passage omitted]

U.S. Congressman's Proposal on NATO Not Discussed

WS1402121195 Vilnius ELTA in English 1809 GMT 13 Feb 95

[From "News Bulletin" No. 693]

[FBIS Transcribed Text] Vilnius, February 13, ELTA—During the Seimas [parliament] Foreign Committee meeting on Monday [13 February] it was decided not to discuss the proposal to cross out the Baltic states from the list of candidates to the NATO, that had been made by the Foreign Committee of the Houses of Representatives of the U.S. Congress.

According to the Seimas Foreign Committee Chairman Kazys Bobelis, such decision was made because Lithuania had received no official documents, confirming the earlier mentioned statements.

During the consideration of the draft law on strengthening U.S. security "NATO's extension act" one congressmen offered to cross out the Baltic states from the list of candidates, motivating his statement that these countries had not been properly prepared to join the NATO.

Bobelis noted that such proposal was not of great importance, because even Lithuanian Seimas did not approve every offer.

Members of the Seimas Foreign Committee decided to appeal to the Lithuanian-Americans asking them to inquire about the earlier mentioned proposal.

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